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John Schulz/Reuters

Maurice Papon, center, arriving Wednesday at the court in Bordeaux after spending the night in prison.

Wounds of Vichy France Reopen

Papon, 87, Remains Defiant as Trial Begins in Bordeaux

By Craig R. Whitney
New York Times Service

BORDEAUX, France — Maurice Papon, the highest-ranking official of occupied France to face charges of complicity in German crimes against humanity, went on trial Wednesday behind a bullet-proof plastic shield in a Court of Assizes courtroom crowded with lawyers and relatives of some of the 1,560 Jews he allegedly sent to Auschwitz.

"It is not a state that is being judged here," said the chief prosecutor, Henri Desclaux. "It is still less a nation or a city — it is a man."

The 87-year-old defendant, white-haired and wearing a blue blazer, sat with his arms defiantly crossed as the proceedings slowly got under way in the Palace of Justice. He is charged with being all too ready to do the Nazis' bidding on Jews in southwestern France, where he was secretary-general of the Gironde territorial department and in charge of "Jewish questions" between 1942 and 1944, during the German occupation.

Many historians, French and foreign, have concluded since the mid-1970s that going too far to meet German demands instead of resisting them or resigning was the greatest mistake of many officials of the collaborationist regime set up in Vichy after the Germans defeated the

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Greenspan Sees Economy On 'Unsustainable Track'

Stock Market Pulls Back, but Without Conviction

By Brian Knowlton
International Herald Tribune

WASHINGTON — Alan Greenspan, the Federal Reserve Board chairman, warned Wednesday that labor-market pressures were mounting inexorably and that the U.S. economy was on an "*unsustainable track*," comments that stunned stock and bond markets in the United States and abroad.

Amid growing economic uncertainties, he said, "It clearly would be unrealistic to look for a continuation of stock-market gains of anything like the magnitude of those recorded in the past couple of years."

The Dow Jones industrial average, which reacts speedily to most Fed pronouncements, promptly sank on Mr. Greenspan's pointed remarks before the House of Representatives' Banking Committee.

But in an unusual show of indecision, the blue-chip stock index took almost an hour to shed 100 points. The Dow then seesawed around its lows for the rest of the day and closed at 8,095.06, down 83.25 points.

In the credit markets, the 30-year Treasury bond dropped 1 20/32 points, taking its yield up to 6.35 percent from 6.23 percent Tuesday.

Mr. Greenspan's comments did not have quite the impact of his warning Dec. 6 of "irrational exuberance" in the markets, which briefly goaded the Dow down 145 points.

His latest comments, nevertheless, were a "ringing wake-up call," said Cary Leahey, U.S. chief economist for High-Frequency Economics.

"He's sending a school teacher's ruler across the knuckles of investors, saying, '*You guys are getting too fat and happy*,'" Mr. Leahey said.

Alan Levenson, director of research at Aubrey Lanston & Co., called Mr. Greenspan's focus on labor market tightness "hugely new." Only months ago, a Greenspan reference before Congress to labor tightness was "a footnote," Mr. Levenson said. On Wednesday, the problem was "clearly in the spotlight."

The message was this, Mr. Levenson said: "Employment growth has been in excess of population growth, and in the long term it cannot be sustained."

In contrast, Mr. Greenspan's comments in his semiannual report to Congress in July had sent the markets to record highs when he said that "*important pieces of information, while just* suggestive at this point, could be read as indicating basic improvement in the longer-term efficiency of the economy." The market interpreted those comments to mean the Fed chairman now subscribed to the view that it was possible to *sustain solid* economic growth without inflation.

But on Wednesday, Mr. Greenspan, although noting again that the economy had exceeded expectations, added that the labor market's performance "suggests that the economy has been on an *unsustainable track*."

Part of the country's economic health, he said, was a result not of "prudent attitudes and actions" but of the emergence of "benevolent forces largely external to the fiscal process."

These, he said, included the end of the Cold War, which has allowed military

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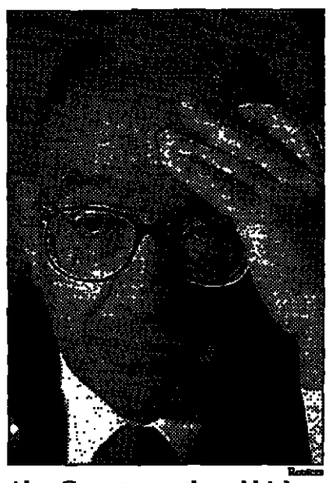

Reuters

Alan Greenspan, who said labor-market pressures were mounting.

Indonesia Asks IMF For Bailout

Economists Expect Request for $10 Billion

By Michael Richardson
International Herald Tribune

SINGAPORE — In an effort to halt a damaging downward spiral in the value of its currency, Indonesia said Wednesday that it would seek help from the International Monetary Fund and other institutions to buttress its foreign-exchange reserves.

While Indonesian officials did not say how much money they would seek, bankers and economists expect to see a loan package of $5 billion to $10 billion — much less than the $17.2 billion bailout put together for Thailand in August by the IMF, the World Bank, Japan and other Asia-Pacific nations.

Indonesia is the third country, after Thailand and the Philippines, to turn to the fund for foreign exchange support since Bangkok was forced to let its currency, the baht, start to fall July 2, triggering currency and stock-market turmoil in other Southeast Asian countries.

Jakarta's decision to seek fund assistance, including standby credit, is intended to "break this vicious circle," said Seema Desai, regional economist at Schroder Securities Asia Ltd.

"The more pressure there is on the rupiah, the less likely it is that Indonesian companies can service their debts," she said.

Indonesia's net reserves are not as low as Thailand's.

But although Jakarta has announced various measures to stabilize the rupiah and restore business and investor confidence, its currency has fallen by nearly 34 percent against the dollar since July 1 — further than the Thai baht, at 29 percent, or the Philippine peso, which has dropped 26 percent.

Last week alone, the rupiah plunged 17 percent as Indonesian companies scrambled to buy dollars to pay for imports and cover their heavy offshore borrowings, while exporters withheld dollar earnings in anticipation that the rupiah would fall further in value.

In reaction to the government's move Wednesday, the rupiah strengthened, with the dollar falling to 3,640.50 rupiah from 3,692.50 on Tuesday. The Jakarta Stock Market Composite Index rose 4.99 points, or nearly 1 percent, to 518.94.

Miss Desai and other economists said that if the IMF package failed to restore confidence, Indonesia would probably have to seek negotiations with foreign creditors to delay repayment of part of its total national debt, which amounted to $109 billion at the end March. The private sector owes more than $55 bil-

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Netanyahu-Arafat Surprise Meeting Is Called 'Very Good'

By Serge Schmemann
New York Times Service

JERUSALEM — Prime Minister Benjamin Netanyahu and Yasir Arafat, chairman of the Palestinian Authority, met Wednesday in their first *face-to-face meeting in eight months*.

The meeting, coming amid a mood of crisis, was a U.S.-mediated effort to find ways out of a freeze in peace efforts.

The encounter, at a Gaza Strip border checkpoint, lasted two and a half hours.

Neither leader made a comment on leaving. But Dennis Ross, the American peace mediator who set up the session, and also attended, described it as a "very good meeting."

"They both reaffirmed the need to continue the process," he said. "I think at some point they *mentioned this as a new start for both leaders*. They agreed that they should seek the resumption of negotiations on all levels, including the level of principles."

The surprise meeting was set up after daylong shuttling Tuesday by Mr. Ross.

The negotiator's latest mission to the Middle East has been overshadowed by a storm over the capture of two Israeli secret service "hit men" in Jordan, and their subsequent exchange for Sheikh Ahmed Yassin, the founder of the Hamas movement.

Mr. Ross's mission grew out of Secretary of State Madeleine Albright's visit to the region last month, and her subsequent talks with Israeli and Palestinian negotiators in New York.

One result was the resumption of joint committee meetings this week on such various outstanding issues as a Palestinian airport in Gaza and a safe-transit route between the Gaza Strip and the West Bank.

The meeting apparently also dealt with issues of resuming negotiations on advancing the political process. These have been stalled since Israel broke ground last March on a new housing project for Jews in East Jerusalem.

Mrs. Albright has urged Israel to take a "time-out" from settlement construction while seeking to

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Kim Jong Il Assumes Leadership

TOKYO — Kim Jong Il assumed North Korea's top leadership post Wednesday, ending a formal three-year vacuum of power in his country after the death of his father.

Some experts believe that his elevation creates possibilities for far-reaching changes in North Korea that could reverberate around the Pacific rim. Page 5.

Koreas' Pact Opens Skies

Use of North's Airspace to Save Time and Fuel

By Thomas Crampton
International Herald Tribune

BANGKOK — A milestone aviation agreement signed here Wednesday will allow any foreign commercial flight to cross North Korea for the first time since 1945.

The deal will bring desperately needed cash to the crippled North Korean economy as well as alter regional air routes, saving cost and time for airlines.

"This is a landmark accord in non-political relations between the two Koreas," the Ministry of Transportation and Construction in Seoul said.

The two Koreas signed the agreement on the same day Kim Jong Il was named head of the North's ruling party, ending a three-year official power vacuum since the death of his father, Kim Il Sung. It marks a literal opening up in what could be a longer-term change in the relationship between Seoul and Pyongyang.

At present, apart from the few airlines that fly to North Korea, only Russian and Chinese airlines fly over the country. Other commercial airlines are forced to skirt the airspace when flying polar routes between North America and some parts of Asia, adding up to three-quarters of an hour to some flights.

The agreement could also cut flight times significantly between the Russian Far East and the rest of Asia.

"It's been a black mark right smack in the middle of North Asia for 50 years," said Tom Ballantyne, chief correspondent of Orient Aviation magazine. "The ramifications are significant for the entire Pacific air trade."

The shorter flight time would mean annual fuel savings worth $125 million, the International Air Transport Association has estimated. North Korea stands to earn about $5 million a year for selling its "overfly" rights.

The cost and time benefits of flying over North Korea would be felt by most by Korea Air, Asiana, United Airlines, Delta, Northwest Airlines, American Airlines, All Nippon Airways and Japan Airlines, Mr. Ballantyne said.

"Carriers like Federal Express and Evergreen that use South Korea as a cargo hub will also have considerable savings," he said.

European airlines serving South Korea and some other Asian locations likewise could benefit.

A Korea Air spokesman said that de-

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Bobby Yip/Reuters

A protester outside the Hong Kong legislature.

AGENDA

Hong Kong Leader Offers His Visions for the Future

After 100 days in office, the first postcolonial leader of Hong Kong laid out his vision for a city that will become a *high-tech service center closely linked with southern* China, where education and housing will improve and the elderly will get more care, but where full democracy must wait another decade. Chief Executive Tung Chee-hwa's first policy address to the local legislature Wednesday was largely bereft of any discussion of politics or civil liberties, focusing instead on the social issues that might occupy any big city mayor. Page 10.

White House Denial on Videos

President Bill Clinton, who denies Republican accusations that his administration has deliberately withheld evidence in the fund-raising investigations, said Wednesday that videotapes of donor events at the White House showed that "no one has done anything wrong here."

Mr. Clinton spoke as his former deputy chief of staff, *Harold Ickes, appeared for a second day before a Senate* committee looking into campaign fund-raising abuses.

The hearing Wednesday probed into questions of whether the White House knew about an illegal donation scheme involving unions. Page 3

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The IHT on-line www.iht.com

The Dollar		
New York	Wednesday @ 4 P.M.	previous close
DM	1.7488	1.7577
Pound	1.622	1.6225
Yen	121.10	122.55
FF	5.8754	5.906

The Dow		
	Wednesday close	previous close
-83.25	8095.06	8178.31

S&P 500		
change	Wednesday @ 4 P.M.	previous close
-9.34	973.78	983.12

Q&A: Cohen on China

The U.S. defense secretary, William Cohen, visiting Europe for consultations, tells the International Herald Tribune that the United States hopes to promote stability in Asia through recent changes in military ties with Japan and continued military contacts with China. Especially regarding China, Mr. Cohen says that strong military-to-military contacts and "more transparency in their military programs can solidify relations and avoid tensions." Page 10.

France Faces Isolation in Europe Over 35-Hour Week Proposal

By Alan Friedman
International Herald Tribune

PARIS — As Prime Minister Lionel Jospin, trade unions and employers in France prepare to meet Friday to discuss reducing the working week to 35 hours, the notion that such a move might help to cut unemployment is being lambasted across much of Europe.

A workweek reduction, one of the promises made by Mr. Jospin during his election campaign last spring, is seen by a number of economists, businessmen and European policymakers as a recipe for disaster. If the 39-hour workweek were to be officially shortened, it would not make a dent in France's 12.5 percent jobless rate, they argue. Rather, the effects would be to increase businesses'

NEWS ANALYSIS

labor costs like overtime, reduce productivity and profits at many companies, and make France a less competitive economy.

By contrast, its proponents, mainly French and Belgian trade unions and Italian Communists, say it would preserve existing jobs by reducing the hours worked, and would cut unemployment by then causing companies to hire new workers who would work the remaining time.

For Mr. Jospin, who on Wednesday watched French transportation workers stage a strike aimed at pressuring his leftist government to make good on the campaign promise, the conference on Friday will be a major political test.

But this politically sensitive issue is not restricted to France.

In Italy, the idea of forcing a 35-hour workweek through legislation is also one of the key planks of the extreme-left Refounded Communists, who have been threatening to bring down the government of Prime Minister Romano Prodi.

Mr. Prodi instead has proposed legislation that would offer tax incentives to companies that are able to negotiate, case-by-case, reductions in working time. Tiziano Treu, Italy's employment minister, has said that a law forcing all companies to reduce the workweek to 35 hours "would be a

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EU proposes transfers of pensions. Page 13.

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Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim.$30.00

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The Korean Front / **Nature Reigns as Soldiers Fear to Tread**

Where Wildlife Thrives in No-Man's-Land

By Mary Jordan
Washington Post Service

TAESONGDONG, South Korea — If the elegant Manchurian crane knows that a million soldiers and thousands of pieces of artillery are watching him, he doesn't let on. He struts and preens, proud and free among the land mines in one of the world's most dangerous places.

The Demilitarized Zone that separates North and South Korea is deadly for humans but has become one of Asia's most hospitable homes for rare plants and animals. The 3-foot-tall crane and more than 140 other kinds of wildlife found almost nowhere else on the Korean Peninsula live here, and endangered migratory birds stop in for a peaceful rest.

Two rival armies snarl at each other across the divide, a strip of land 151 miles (242 kilometers) long and 2.5 miles wide. Oblivious, swans and geese dive for food in clear rivers and wild purple asters bend by the millions in the autumn breeze in this scenic no-man's-land — the unintended byproduct of four decades of human hatred.

As rugged as the Rocky Mountains in the east and as wild as a jungle in the center, the DMZ is catching the attention of many environmentalists who are concerned that the two Koreas might unify and the bountiful nature preserve could become a crowded suburb practically overnight.

"It's ironic it's so beautiful," said Lieutenant Colonel James Laufenburg of the U.S. Army, who heads the UN Command's security battalion at the DMZ.

Soldiers are occasionally shot here when they step over the line down the middle of the DMZ, or even come too close, as happened to a North Korean soldier last month. Many here joke that this kind of instant death is the only thing that keeps developers away from what has become known as one of the most pristine green spaces left in Asia.

A four-story building under construction in Panmunjom, the main South Korean military checkpoint along the DMZ, crystallizes the worry that the honking sounds of wild geese might soon fade away, replaced by honking Hyundai cars. The government building is to house offices of the Ministry of National Unification and the Red Cross, and will serve as a site for future peace talks. Those familiar with the building plans say it is being configured so it also could serve as a checkpoint for passport control and visa processing for future travelers between North and South Korea.

What is alarming people is that if peace comes to the peninsula, developers pouring concrete will come, too. Every month, development creeps nearer to the DMZ. The heart of Seoul is about 30 miles to the south, but its metropolitan area keeps reaching closer to the demarcation line that armistice negotiators drew after the Korean War in 1953. One area about 15 miles south of the DMZ, called Kimpo Peninsula, had about 6,000 residents five years ago. Today it has 250,000.

That kind of building concerns people such as Yoon Moo Boo, a renowned South Korean biologist and bird specialist. Mr. Yoon is occasionally escorted into the DMZ by UN soldiers stationed at Panmunjom to count endangered birds. He wants the area kept as a sanctuary.

Because the DMZ has been left to nature for almost half a century, it has become an important stop on what is known as the East Asia Migratory Flyway, a place for rare Manchurian cranes, Siberian herons, ducks and geese to stop off and rest. "Of course it should be preserved," Mr. Yoon said.

But he is not optimistic. He says South Korea's ambitious developers and lax environmental protection laws are conspiring against the DMZ.

But there is some action toward preservation. In May, the Presidential Commission for Promoting Globalization, headed by South Korea's prime minister, recommended "selectively" preserving the "ecological integrity" of the DMZ.

Na Jung Kyun, a South Korean environmental official, said his agency was looking at the commission's report and conferring with government construction and transportation officials on a coordinated plan for preserving the DMZ. In the event of peace, one immediate problem officials see is that there will be an urgent demand for roads and for water, sewer and phone installations — and they might not be welcome to the Korean tigers, pheasants and other wildlife that have not been bothered by humans since the 1950s.

Every year, in one of the world's most bizarre tours, 180,000 people come to the DMZ to see the "world's most dangerous border" and the North and South Korean soldiers staring at each other, eyeball to eyeball. They are often surprised at how pretty it is.

"Parts of it are spectacular," said Jim Coles III, the spokesman for the U.S. military here. Mr. Coles may hold the record for trips to the DMZ — about 1,500 trips since 1990. He can expound for hours about the 11,000 pieces of artillery the North Koreans have along the border, much of it encased in concrete bunkers or behind metal "blast" doors.

But he can talk almost as much — and did on a recent trip here — about the zone's firs, pines and aspens, steep ravines and valleys and "gorgeous" Siberian geese.

The only people who live in the DMZ are the 237 inhabitants of Taesongdong, a farming village the South Koreans and Americans like to call "Freedom Village" as a bit of propaganda against the North.

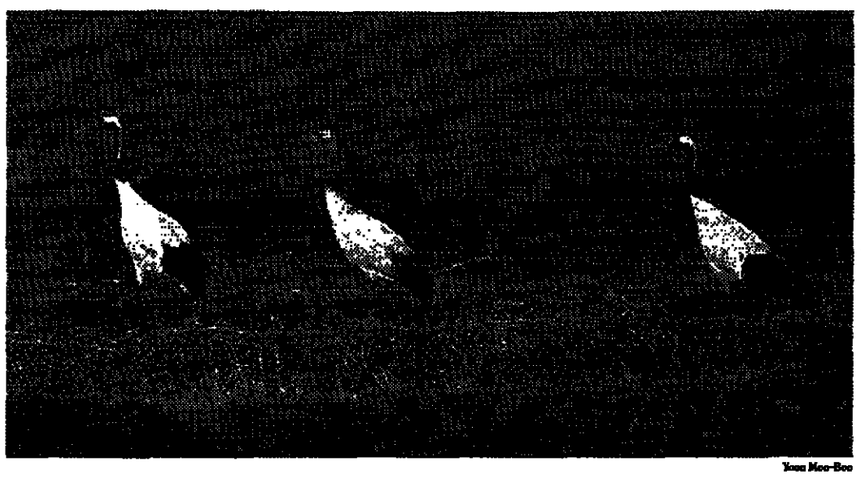
This village is essentially closed to outsiders, but on a recent, rare visit, there was a brilliant carpet of red in front of a military post: maybe a million or more peppers drying in the warm autumn sun. A small boy ran around with a toy machine gun, and other children played near the village school and its playground. The lone church is Presbyterian, with a large spire, and the 50 houses are small and mostly brick.

All of the village's residents lived here before the war or are direct descendants of people who did. They have been enticed to stay by an average income of $82,000 and no obligation to pay taxes. All are farmers, and they tend to their rice paddies, ginseng and red peppers under armed guard. At 11 each night a soldier knocks on their doors to make sure they observe the curfew.

While the money is good here, there are downsides: Land mines surround the villagers' paddies. One woman was killed four years ago when she left the cleared path through the woods and stepped on a mine. The villagers hear three-story-high loudspeakers blasting propaganda from North Korea, and they live with the constant threat of war. They cannot, for instance, go swimming in the nearby Imjim River; nets with metal hooks block the river to snare North Korean agents trying to enter South Korea by water.

Still, it's a comfortable life for the villagers, who say the tension rarely bothers them. They work farms many times larger than those in the rest of the country. And their produce sells for exceptionally high prices, partly because of the novelty and partly because the DMZ farmland is considered so pure.

But no one thinks this unusual place can last forever. Large animals no longer live here because anything heavy enough sets off land mines. Now people worry that when the mines are removed, another way of life will be killed.



Yoon Moo-Boo

The Demilitarized Zone has become haven for wildlife, including 3-foot-tall Manchurian cranes. There is growing concern that if peace comes to the Korean Peninsula, one of the most pristine green spaces left in Asia could be lost.

How the Hit in Jordan Wounded the Israelis

By Barton Gellman
Washington Post Service

AMMAN — As Khaled Meshal, the political leader of the militant Palestinian group Hamas, drove up to his office here on the morning of Sept. 25, two men were loitering outside the door. One was dark and muscular, the other bearded and blond.

The blond man fell in behind Mr. Meshal as he left his car and extended an arm to the Hamas leader's left ear. From a lead-colored instrument wrapped in tape came a loud popping sound, Mr. Meshal said, and a sensation raced down his spine "like an electric shock."

Within minutes of the attack, Mr. Meshal's bodyguard ran the men down and subdued them in a bloody fistfight a mile away. And within hours, Mr. Meshal would lie perilously close to death in a military hospital with uncontrollable vomiting and respiratory arrest.

By the following day, U.S. and Jordanian officials said, the two captured assailants' cover identities as Canadian tourists had unraveled, and their Jordanian interrogators had recognized them as agents of Mossad, the Israeli espionage agency.

The 12 days since have been some of the costliest ever for Israel and its storied security services.

King Hussein of Jordan, Israel's closest Arab ally, was so enraged by the attack in his capital that close confidants said he came to the brink of breaking relations with Israel. Canada, protesting the breach of previous promises to stop forging its passports, recalled its ambassador from Israel.

According to the Israeli opposition leader Ehud Barak, Prime Minister Benjamin Netanyahu told him that he himself had directed the effort to kill Mr. Meshal. Senior American officials confirm that the orders for the attack came from the highest levels of the Israeli government.

After spraying what American and Jordanian officials described as a lethal nerve toxin into Mr. Meshal, Israel was compelled to meet Jordanian and American demands to supply the antidote — an extraordinary if indirect admission of its sponsorship of an assassination attempt.

The officials said that Mossad agents still in Jordan — participants in the operation who carried the antidote in case of accident — turned it over to Jordanian doctors the next day.

American officials said the poison, which they declined to name, would have killed Mr. Mershal within 48 hours.

The attack on Mr. Meshal had its origin, according to Israeli officials, in an emergency cabinet meeting July 30, when two Hamas suicide bombers killed 16 Israelis in the Mahane Yehuda produce market in Jerusalem. The cabinet, according to two of its members, voted a broadly worded authorization to hunt down Hamas military leaders wherever they could be found. It did not approve specific targets or set constraints.

After shooting the nerve toxin into Mr. Meshal, the Israeli agents fled. Mohammed Abu Saif, the Hamas leader's bodyguard, was just arriving in a trail car and set off after them on foot.

The agents jumped into a waiting Hyundai, and Mr. Abu Saif followed after flagging down a passing car. The driver accelerated after the Hyundai, which rounded two curves at high speed and then unexpectedly stopped to let the Israelis out after less than a mile. Jordanian officials speculated that the Israeli escape plan called for a switch to another car.

"I got the heavily built guy and hit him with a right in the face and dropped him on the ground," Mr. Abu Saif said. "The second guy attacked me, and I hit him in the face. Then the muscular guy got up with a stone in his hand, but I was able to hold his friend, and I used him as a shield."

Mr. Abu Saif subdued both agents, and with the help of a passing Jordanian security policeman, bundled them into a taxi and took them to the police station at Wadi Seir. When a Canadian consular officer arrived some time later, his ostensible countrymen refused offers to provide a lawyer, a doctor or information to their families in Canada.

Mr. Meshal, meanwhile, soon found he could not stand upright.

"Two hours after the attack, he started with acute vertigo and severe vomiting," and he was taken to Islamic Hospital," said Ishak Maraqa, a neurosurgeon and friend of Mr. Meshal's who visited his bedside. "While there, he started to have difficulty breathing. On his majesty's orders, he was moved to King Hussein Medical Center, and there his respiration failed."

By the next morning, Friday, Sept. 26., a fellow member of the Hamas cabinet, Mousa Abu Marzook, said Mr. Meshal had a fever of 102 degrees that did not respond to treatment. "The doctors analyzed everything," Mr. Abu Marzook said, "and they couldn't find what was the problem."

Jordanian intelligence by this time knew or surmised that Mr. Meshal had been attacked with some sort of chemical agent.

In the first frantic flurry of telephone calls — there were dozens, officials said, at every level of both governments — King Hussein drew the line. If Mr. Meshal died, he reportedly told Mr. Netanyahu, the Israelis would be tried in public and hanged.

"If the case was not treated and death was the result of this attack," Prime Minister Abdel Salam Majali said, "certainly things would have developed in a very nasty way." By the end of the day, the antidote was handed over, apparently on orders from Mr. Netanyahu.

On Sept. 27, according to officials from both governments, King Hussein telephoned President Bill Clinton to plead for further help in treating the poison and managing the crisis. By Sunday, a top-ranking delegation of Israelis was in Amman, including Mr. Netanyahu, Defense Minister Yitzhak Mordechai, Infrastructure Minister Ariel Sharon and the security officials David Ivri and Efraim Halevy.

Israel wanted its agents back. The king refused to meet Mr. Netanyahu and told the Israelis through Crown Prince Hassan that his price would begin with the release from prison of Sheik Ahmed Yassin, the founder of Hamas — to placate Jordan's Islamic opposition.

The crown prince flew to Washington on Monday with a briefcase full of evidence implicating Israel. There, he briefed Mr. Clinton, Vice President Al Gore and Secretary of State Madeleine Albright, pleading for help to salvage Arab-Israeli relations from what the king now regards as a disastrous mess.

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TRAVEL UPDATE

French Strike Cuts Public Transport

PARIS (Reuters) — A 36-hour strike disrupted rail traffic in France on Wednesday, causing long waits and packed trains.

The stoppage, which began Tuesday evening, cut regular train and TGV high-speed services from a third and two-thirds around France. Eurostar trains between Paris and London via the Channel Tunnel were not affected by the strike.

Parisian suburban train services and the Metro were disrupted, creating huge traffic jams as more people took their cars. Few bus services were affected and a few lines of the suburban express trains were running normally. The strike is due to end at 8 A.M. Thursday

Hurricane Speeds Toward Mexico

PUERTO ESCONDIDO, Mexico (AP) — Heavy rain pelted the southern Mexican Pacific coast Wednesday as a hurricane spun toward land with winds of 184 kilometers per hour (115 miles per hour).

Hurricane experts called the storm "very dangerous" and said it was expected to hit somewhere along the Oaxaca or Guerrero state coast.

Oaxaca state authorities set up 75 emergency shelters and federal officials closed six major ports between Acapulco and Puerto Madero on the Pacific coast.

Czechs Need Visas To Travel to Canada

The Associated Press

OTTAWA — Canada said Tuesday it would start requiring Czech tourists to get travel visas because of a surge of Gypsies coming from the East European country in search of refugee status. The visa requirement will take effect Wednesday.

WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

North America
A Pacific storm will bring chilly, gusty winds and soaking rains to the Cascades Friday, and even some snow in the higher elevations. Rain will move across the northern Rockies to the northern Plains by Sunday. Partly sunny and warm in most of the Northeast through Sunday.

Europe
Windy and cool with showers across most of northwestern Europe Friday and Saturday, but partly sunny and more comfortable Sunday. Eastern France, Switzerland and southern Germany will have soaking rains. Mostly sunny and pleasant in Madrid, but rainy and cold in St. Petersburg.

Asia
Mostly sunny and pleasant in Beijing Friday through Sunday, but Seoul will be partly sunny and cool. It may shower in Tokyo Friday, then comfortable with some sun this weekend. Soaking rains will continue across southeastern China, but it will be warm and dry in the west.

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice, W-Weather.

All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Europe

	Today High	Today Low	Today W	Tomorrow High	Tomorrow Low	Tomorrow W
	C/F	C/F		C/F	C/F	
Algarve	24/75	18/64	s	27/80	20/68	s
Amsterdam	17/62	13/55	r	16/61	9/48	s
Andorra	21/77	8/43	s	26/79	7/44	s
Athens	29/79	17/62	s	27/80	18/64	s
Barcelona	28/78	18/64	s	26/79	19/66	pc
Belgrade	25/77	14/57	c	28/79	14/57	pc
Berlin	21/70	14/57	pc	17/62	6/43	r
Brussels	17/62	11/52	pc	15/61	10/50	sh
Budapest	26/79	15/59	pc	24/75	15/59	pc
Copenhagen	16/61	12/53	r	13/55	7/44	r
Costa Del Sol	28/79	17/62	s	29/82	19/66	s
Dublin	15/59	9/48	r	13/55	8/46	c
Edinburgh	13/55	9/48	r	12/53	5/41	sh
Florence	25/77	17/62	pc	28/82	17/62	pc
Frankfurt	21/70	13/55	pc	17/62	6/43	r
Geneva	21/70	12/53	c	16/61	13/55	sh
Helsinki	11/52	6/43	c	8/46	5/41	r
Istanbul	29/79	17/62	s	28/82	17/62	s
Kiev	22/71	14/57	pc	21/70	13/55	c
Las Palmas	28/79	19/66	s	27/80	20/71	s
Lisbon	22/71	17/62	pc	24/75	13/55	pc
London	17/62	14/57	r	15/61	11/52	r
Madrid	29/78	12/53	pc	27/80	14/57	pc
Mallorca	27/80	19/61	pc	27/80	18/64	pc
Milan	23/73	14/57	pc	24/75	15/59	pc
Moscow	13/55	10/50	sh	16/61	13/55	r
Munich	19/66	9/48	pc	19/66	9/48	sh
Nice	28/79	19/64	pc	27/80	19/66	pc
Oslo	11/52	7/44	sh	8/46	5/41	r
Paris	19/66	13/55	pc	16/61	14/57	r
Prague	19/66	11/52	pc	15/59	7/44	r
Reykjavic	6/43	2/37	r	6/43	3/35	sh
Riga	13/55	12/53	r	14/57	9/48	r
Rome	24/75	17/62	pc	27/80	18/64	pc
St. Petersburg	11/52	9/48	sh	11/52	8/46	r
Stockholm	12/53	9/48	sh	9/48	5/41	c
Strasbourg	21/70	14/57	pc	19/64	12/53	r
Tallinn	12/53	9/48	sh	11/52	9/48	r
Tbilisi	22/71	10/50	s	24/75	13/55	s
Venice	23/73	16/61	pc	25/77	16/61	pc
Vienna	22/71	14/57	pc	21/70	13/55	sh
Warsaw	21/70	11/52	c	19/66	7/44	sh
Zurich	19/66	12/53	c	19/64	12/53	r

Middle East

Abu Dhabi	41/106	23/73	s	39/102	22/71	s
Beirut	27/80	19/66	s	28/79	20/68	pc
Cairo	31/88	17/62	s	31/88	18/64	s
Damascus	31/88	13/55	s	30/86	13/55	pc
Jerusalem	25/77	13/55	s	25/79	13/55	pc
Luxor	35/97	18/61	s	39/102	19/64	s
Riyadh	39/100	20/68	s	37/98	20/68	s

Africa

Algiers	27/80	16/61	pc	29/82	18/64	s
Cape Town	21/70	13/55	s	21/70	10/50	pc
Casablanca	24/75	17/62	s	27/80	20/68	s
Harare	28/79	10/50	pc	28/79	8/46	pc
Lagos	30/86	23/73	pc	29/84	23/73	r
Nairobi	25/77	14/57	sh	27/80	13/55	c
Tunis	27/80	17/62	pc	28/79	19/64	pc

Asia

	Today High C/F	Today Low C/F	Today W	Tomorrow High C/F	Tomorrow Low C/F	Tomorrow W
Almaty	18/64	9/43	pc	17/62	6/43	pc
Bali	30/86	19/64	s	29/84	19/66	s
Bangkok	32/89	25/73	pc	32/89	25/73	pc
Beijing	28/82	11/52	s	29/71	9/48	s
Bombay	31/88	29/71	s	31/88	22/71	s
Calcutta	30/86	21/70	pc	29/84	21/70	pc
Chiang Mai	31/88	21/70	pc	31/88	21/70	pc
Colombo	29/84	23/73	pc	29/84	23/73	pc
Hanoi	30/86	24/75	pc	31/88	24/75	pc
Ho Chi Minh	31/88	23/73	pc	31/88	23/73	c
Hong Kong	28/79	23/73	sh	28/82	24/75	pc
Islamabad	33/91	19/64	pc	30/86	15/59	pc
Jakarta	31/88	21/70	pc	30/86	21/70	pc
Karachi	36/97	23/73	s	39/100	23/73	s
K Lumpur	30/86	23/73	r	31/88	22/71	r
K Kinabalu	29/84	23/73	r	29/82	23/73	r
Manila	31/88	23/71	pc	30/86	23/71	pc
New Delhi	31/88	17/62	s	32/89	19/64	s
Pnom Penh	31/88	23/73	pc	29/84	23/73	c
Phuket	32/89	23/73	pc	32/89	23/73	pc
Rangoon	29/84	23/73	pc	29/84	23/71	pc
Seoul	21/70	12/53	pc	19/71	9/37	s
Shanghai	23/73	16/61	pc	25/77	17/62	s
Singapore	30/82	21/70	r	30/86	21/70	pc
Taipei	28/79	21/70	pc	27/80	22/71	r
Tokyo	19/66	14/57	s	21/70	13/55	c
Vientiane	31/88	21/70	pc	31/88	21/70	pc

North America

Anchorage	7/44	4/25	pc	3/37	-6/22	pc
Atlanta	29/84	17/62	pc	27/80	16/61	pc
Boston	19/66	13/55	pc	23/73	13/55	pc
Chicago	23/73	10/50	pc	21/70	12/53	s
Dallas	28/82	17/62	t	27/80	17/62	pc
Denver	23/73	4/39	pc	23/73	4/39	pc
Detroit	20/70	11/52	t	22/71	14/57	s
Honolulu	31/88	23/73	pc	31/88	23/73	pc
Houston	29/84	20/68	t	29/84	19/64	t
Los Angeles	27/80	14/57	pc	24/75	12/53	pc
Miami	31/88	24/75	pc	29/84	23/73	pc
Minneapolis	19/66	7/44	pc	19/66	9/48	pc
Montreal	21/70	14/57	pc	22/71	12/53	pc
Nassau	30/86	21/70	pc	29/84	22/71	pc
New York	24/75	19/66	pc	27/80	18/64	pc
Orlando	31/88	21/70	s	29/84	20/68	pc
Phoenix	34/93	17/62	s	33/91	17/62	s
San Fran.	19/64	11/52	sh	18/64	10/50	pc
Seattle	13/55	8/46	r	13/55	8/46	sh
Toronto	25/77	13/55	sh	22/71	12/53	sh
Vancouver	9/48	6/43	r	6/43	-2/27	sh
Washington	28/82	19/66	pc	30/86	17/62	pc

Latin America

Buenos Aires	22/71	13/55	pc	20/79	13/55	pc
Caracas	31/88	20/68	pc	29/84	21/70	pc
Lima	23/73	18/61	s	21/70	18/61	pc
Mexico City	22/71	15/61	sh	20/68	13/55	c
Rio de Janeiro	24/75	18/64	pc	25/77	21/70	sf
Santiago	14/57	8/46	sh	13/55	2/35	r

Oceania

Auckland	17/62	12/53	c	16/61	10/61	r
Sydney	22/71	14/57	pc	27/80	19/66	s

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THE AMERICAS

Foul-Ups Play Better in Politics Than Cover-Ups

By R.W. Apple Jr.
New York Times Service

NEWS ANALYSIS

WASHINGTON — Most presidents and their administrations would rather spend a winter at the South Pole, rather be audited by the Internal Revenue Service, than have people describe them as bumbling and ineffective.

But not Bill Clinton, which is curious and perhaps revealing.

The president has a grasp of the details of government and the mechanics of politics equaled by no other President since Lyndon Johnson. He has a formidable memory for names, faces and numbers. He is, in other words, a thoroughgoing government professional.

So when he, and the people he trusts most, tell the investigators hacking through the luxuriant undergrowth of fund-raising scandals that they cannot remember exactly what they said or did, it is surprising.

As it is when the president says blandly, as he did Monday, that the failure of the White House to turn over videotapes of 44 White House coffees in anything approaching a timely fashion was "just an accident."

That picture of ineptitude is politically highly undesirable, of course. But foul-ups still play better in the game of politics than do cover-ups.

Rick Wilking/Reuters

Mr. Ickes testifying Wednesday before the Senate panel investigating fund-raising.

Except in the most extreme circumstances, people do not accuse the president and his aides of lying. But on Capitol Hill, the conviction is widespread and growing that as a conscious policy, the White House tells as little as possible as late as possible.

There is nothing necessarily illegal about that; indeed, it is far from clear that either Mr. Clinton or Vice President Al Gore did anything illegal in raising funds for their 1996 re-election campaign. But it certainly makes the president look devious, and it prompts people to ask whether he is hiding things.

"The defense of incompetence is wearing thin," said Senator Fred Thompson of Tennessee, the Republican who heads the Governmental Affairs Committee. That was on Monday. On Tuesday, he accused Mr. Clinton of letting Mr. Gore and Attorney General Janet Reno take the heat for things that were basically the president's responsibility, in these words: "Much of this money that was raised, illegal money, was for your campaign and for your re-election. This is your White House. This is your Department of Justice, and these are your tapes. And you have a responsibility."

Mr. Thompson added, "Clearly, the strategy now is to wait this committee out."

The committee had been asking since April whether there were tapes of such meetings, and it had been told no again and again. In August, the committee specifically asked whether the White House Communications Agency had recorded any such events, and again the reply was negative.

That was the agency that made the tapes — indeed, it tapes large numbers of presidential events, with a camera evident to everyone in the room — but when the requests from the committee came in, Mr. Clinton said Monday, "probably" nobody discussed them with the agency.

For a crucial few days, the existence of the tapes was hidden even from the attorney general. Charles Ruff, the White House counsel, knew of the tapes when he met with Ms. Reno last Thursday, but he did not mention them. At the time, Ms. Reno was trying to decide whether Mr. Clinton's participation in the coffees constituted grounds to look further into whether it merited court appointment of an independent counsel.

Only after she sent an exculpatory report to Congress, and after Time magazine reported the tapes' existence, were they sent to the Justice Department.

George Stephanopoulous, who was a senior adviser in the Clinton administration during the first term, said the delay in disclosing the tapes was probably more a problem of poor supervision and inadequate communication between the archival staff and White House aides than a deliberate cover-up.

He said the tapes showed nothing damaging. "What the conspiracy theorists miss is a big piece of the puzzle — motive. For their point to have merit, they have to be able to explain why the White House would want to cover up information that would exonerate the president."

But much the same pattern of delay has applied all through the Clinton administration.

A missing set of Hillary Rodham Clinton's legal billing records belatedly materialized in the private quarters at the White House. In dribs and drabs, the White House put out conflicting accounts in 1994 of how Mrs. Clinton came to make a killing in the commodities markets more than a decade earlier.

On campaign finance, the White House at first said it had never heard of John Huang, a major fund-raiser for the Democrats, only to acknowledge later that he had visited the place 78 times in 15 months.

And only after it was announced that Harold Ickes, the former deputy White House chief of staff, would testify before the Senate committee on Tuesday did the White House deliver electronic-mail messages from his files that the committee had been seeking for many months.

The question is why all the obfuscation and telling of semitruths.

Inevitably, the effort to camouflage, to minimize, to delay becomes the focus of attention, rather than the event in question. The tapes may show, as Mr. Thompson noted, that contrary to repeated White House assertions, the president met with donors not only in the residential quarters but also in the Oval Office itself.

But that is a detail, and Americans have shown themselves to be largely unconcerned with details, especially where no illegality has been established. As Mr. Thompson suggested, the public tends to put much of the administration's fund-raising frenzy down to "a certain exuberance or certain excesses or certain things that maybe everybody did in fact do," and leave it at that.

What exacts a political price and slowly erodes any president's capacity to lead is what is beginning to happen now: fair-minded politicians of both parties develop the nagging suspicion that the administration does not tell the truth — in full, and on time — because it cannot afford to.

Clinton Denies Hiding Video Evidence

The Associated Press

WASHINGTON — President Bill Clinton, brushing off Republican accusations that his administration has deliberately withheld evidence in the fund-raising investigations, said Wednesday that videotapes of donor events at the White House showed that "no one has done anything wrong here."

Mr. Clinton spoke as his former deputy chief of staff, Harold Ickes, appeared for a second day before a Senate committee looking into campaign fund-raising abuses.

The hearing Wednesday delved into questions of whether the White House knew about an illegal donation scheme involving unions.

Mr. Clinton said the White House had turned over a hundred thousand pages of documents to the committee, calling it "a pretty good sign of our good faith."

He said he was sure there was a logical reason for the months of delay in turning over the videotapes to the Senate committee.

Senate investigators confronted Mr. Ickes with documents showing that three officials implicated in an alleged illegal contribution swap involving the Teamsters union attended a June 1996 donor event at the White House with Mr. Clinton. That was the same month in which prosecutors allege Democratic officials and Teamsters union representatives arranged an illegal contribution swap.

Questioned by the Senate committee chairman, Fred Thompson, Republican of Tennessee, Mr. Ickes said he had "no recollection" of the meeting, which White House officials said was a luncheon, but said he knew nothing about the alleged Teamsters' scheme, which is the subject of a criminal case in New York.

Mr. Thompson produced White House entry logs showing that Martin Davis, a consultant to the re-election campaign of the Teamsters' president, Ron Carey, and Clinton-Gore fund-raisers Terence McAuliffe and Laura Hartigan entered the White House on June 17, 1996, to meet the president.

The meeting was in fact a larger donor event that included others, the White House said. But Mr. Thompson raised the possibility of an earlier meeting, noting that the three were cleared into the White House residential quarters 45 minutes before the luncheon.

Nonetheless, four days later, the union honored a request by the Democratic National Committee for $236,500 in donations to state and local parties — an action prosecutors alleged were part of an illegal swap arrangement in which the party would also find a $100,000 donor to Mr. Carey's re-election at the union.

Mr. Ickes said he had no recollection ever meeting with Mr. Davis.

The White House special counsel, Lanny Davis, asserted Wednesday that Mr. Thompson "deliberately misled" the public by failing to disclose that the events he referred to as meetings with Mr. Clinton were, in fact, Democratic National Committee events that included other people.

"Senator Thompson referring to these events as 'meetings' somehow connected with the criminal investigation involving the Teamsters is at best misleading," the special counsel said. "It is unfortunate that Senator Thompson does not think it is necessary to tell the complete story during his questioning today."

Mr. Ickes was defiant in his opening statement on Tuesday, saying has no apologies about raising large sums of money to stay competitive with the Republican Party during the 1996 campaign.

■ **2 Agree to Testify**

Two Democratic fund-raisers have agreed to testify in exchange for immunity that Mr. Clinton's presidential campaign in 1992 and the Democratic Party engaged in an array of questionable activities, a House committee disclosed Wednesday.

The two fund-raisers, Gene and Nora Lum, will testify about a $50,000 donation to the Clinton campaign in 1992, financial help offered by the Riady family of Indonesia and the Lums' work with the Democratic National Committee.

Campaign Reform Expires in Senate

By Eric Schmitt
New York Times Service

WASHINGTON — The Senate has all but buried a bill to overhaul the country's campaign-financing system.

In successive procedural votes Tuesday, senators failed to halt debate on two competing proposals. That resulted in a stalemate and prevented an up-or-down decision on the legislation itself.

Senator Trent Lott of Mississippi, the majority leader and a strong opponent of the bill, said the votes showed that there was "no consensus" on the issue and then moved the Senate on to other business.

Mr. Lott said he had "held up my end of the bargain" by allowing 22 hours of debate on reform legislation.

Supporters of the basic bill, most of them Democrats, accused Mr. Lott of burying it by rigging debate, barring any amendments other than his own and then blocking a vote on that measure when Democrats and Republican defectors appeared ready to defeat it. Proponents vowed to continue a long-shot fight this week to keep the bill's faint hopes alive.

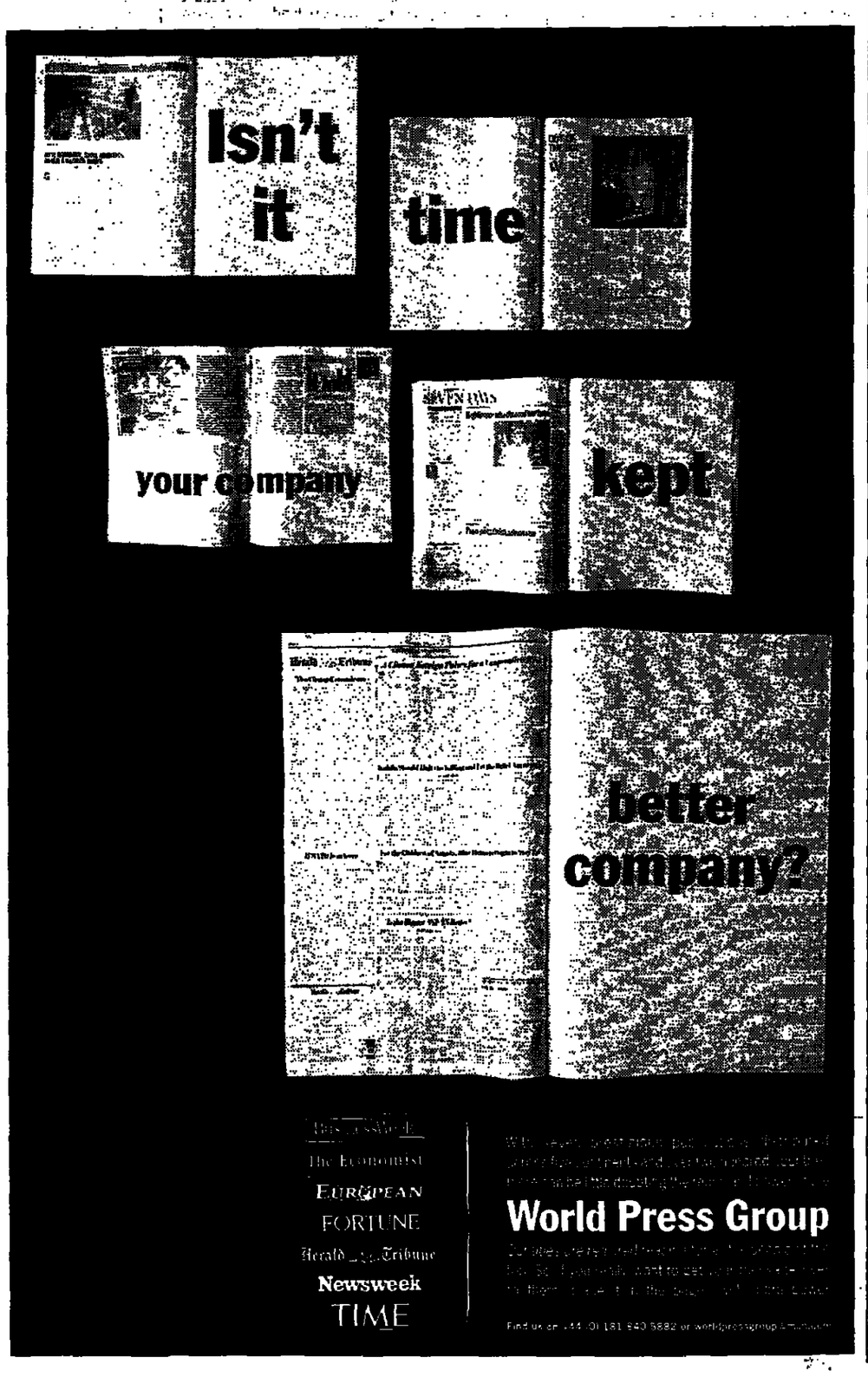
"We're going to prevail sooner or later," said Senator Russell Feingold, Democrat of Wisconsin, who sponsored the bill with Senator John McCain, Republican of Arizona.

But when Mr. Feingold and the other 44 Democrats needed 15 Republicans to bring the bill to a vote, they got only eight.

Senator Mitch McConnell, Republican of Kentucky, who has led the floor fight against the bill for two weeks, declared: "McCain-Feingold is dead."

He added: "This effort to put the government in charge of political discussion is not going to pass now, is not going to pass tomorrow, is not going to pass ever."

The bill would ban the unlimited and unregulated contributions known as "soft money" and more clearly define advertisements that champion candidates and those that are supposed to advocate issues.



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THE AMERICAS

Court Voids Limits On Statehouse Stay

California's Cutoff Vote Overruled

By William Booth
Washington Post Service

LOS ANGELES — A federal appeals court panel has overturned California's term limits for state legislators, a decision that could transform the political landscape of this huge state as politicians scramble for seats they thought must be surrendered.

The appeals court's decision Tuesday did not address the issue of the constitutionality of term limits. Instead, the three-judge panel, ruling 2 to 1, found that voters had not been made fully aware that the 1990 referendum would impose lifetime bans on officeholders whose terms had expired.

Term limits laws have swept much of the country, with some 19 states embracing such limits for state legislatures and 39 imposing restrictions on terms of office for governors. The ruling could push the politically potent issue before the U.S. Supreme Court, according to legal authorities.

The ruling profoundly alters the political calculus in California and it does so immediately for 26 state legislators who were about to be forced from office by term limits. That list includes two of the most powerful Democrats in the state, Cruz Bustamante, the Assembly speaker, and Bill Lockyer, the Senate president pro tem. Both were set to be "termed out" next year and had been angling for other offices.

The filing deadline for the 1998 state races is February. The end of term limits could help Democrats maintain their narrow majorities in the state Senate and Assembly next year.

The U.S. Supreme Court in 1995 ruled that states could not limit the number of terms their representatives in Congress served. The justices have not ruled on term limits for state lawmakers. In 1990, California voters approved Proposition 140, which limits state Assembly members to three two-year terms and state senators to two four-year terms.

Bob Galbraith/The Associated Press

Governor Pete Wilson, a Republican, listening to Secretary of State Bill Jones address the term limits ruling.

Affirmative Action: Career Equalizer?

By Ethan Bronner
New York Times Service

NEW YORK — In a report certain to fuel the debate over affirmative action, an extensive study of doctors trained at the University of California at Davis over a 20-year period found that those admitted with special consideration for factors like race or ethnic origin had postgraduate records and careers that were remarkably similar to those admitted on academic merit alone.

The report, published Wednesday in the Journal of the American Medical Association, found that students receiving admissions preferences performed less well in the basic science courses of the first two years of training, were less likely to graduate with honors and more likely to repeat the certification examination to become doctors.

But the two groups graduated at essentially the same high rate and, after graduation, they followed parallel paths, completing residency training at the same rate, receiving similar evaluations by residency directors, selecting their specialties in the same percentages and establishing practices with almost the same racial mixes.

The research was undertaken by two professors of medicine at the Davis campus following the California Regents decision two years ago to do away with affirmative action in admissions.

Affirmative action advocates said the findings showed that those who were given admission preferences have careers that are similar to others.

But the data contain several ambiguities. In the group admitted under special consideration, only 53.5 percent were members of minority groups. The rest were beneficiaries of such consideration because of their previous experience, like serving in the Peace Corps.

An editorial in Wednesday's issue of the Journal of the American Medical Association commenting on the study hailed the data as evidence that medical schools across the country must not be affected by the current political climate and should pursue affirmative action.

POLITICAL NOTES

Gingrich Makes Pitch At Inner-City School

WASHINGTON — Stealing a technique from President Bill Clinton, Newt Gingrich, the speaker of the House, was using an inner-city school as a backdrop to promote proposals with which Republicans hope to cut into the Democratic advantage on the vote-rich education issue.

In the cheerful yellow library of Hine Junior High School here, Mr. Gingrich posed with teenage girls and members of the House Republican leadership, then highlighted a series of education bills making their way to the House floor.

"We're here today to say we believe the real learning occurs in the local community," he said, his setting a school that has shed its reputation as Horrible Hine to become an education success story. "It's the local students, the local teachers, the local parents."

Mr. Gingrich's appearance at the school, on Monday, was a vivid display of how the Republicans have had to readjust their strategy since the days when their policy amounted to little more than calling for the abolition of the Department of Education. *(NYT)*

Gay Man Nominated To Be Ambassador

WASHINGTON — President Bill Clinton has nominated James Hormel, a gay San Francisco businessman and wealthy Democratic Party donor, to become ambassador to Luxembourg.

If confirmed by the Senate Foreign Relations Committee, Mr. Hormel would become the first openly homosexual envoy for the United States.

The committee, chaired by the conservative Senator Jesse Helms, Republican of North Carolina, has previously confirmed Mr. Hormel as an alternate delegate to the United Nations, according to the Human Rights Campaign, the nation's leading gay rights group.

He is on the board of the Human Rights Campaign Foundation.

"We don't see this as an effort to bring gays into high levels of the administration, but as an effort by the president to bring highly talented individuals into the administration," said David Smith, a spokesman for the Human Rights Campaign.

Mr. Hormel, 64, has been a generous contributor to the Democratic Party, donating at least $120,000 to party candidates and causes since 1995. An heir to the Hormel Meat Co. fortune, he sits on the boards of the San Francisco Symphony and the San Francisco Chamber of Commerce. *(AP)*

Quote/Unquote

Harold Ickes, former Clinton aide, to senators investigating campaign finance abuses: "I know it is customary for witnesses to express their great pleasure to appear before you, but because I am under oath, I am unable to say I share that sentiment." *(NYT)*

Army's Test of Laser Hits Glitches

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — A test by the U.S. Army of a powerful laser has been temporarily blocked by two of the most routine glitches in modern military operations: bad weather and computer software problems, the Defense Department has disclosed.

The test, which involved a test firing of the laser at an aging Air Force satellite roughly 260 miles (415 kilometers) above Earth, was initially scheduled for Saturday evening.

But the sky over the White Sands Missile Range in New Mexico was filled with clouds, which the laser cannot penetrate.

By Monday night, the clouds had cleared but a software problem caused the laser to "recycle," or unexpectedly lose power, during the brief period in which the satellite was within range. The missed opportunities left Army technicians with declining hopes that the test can take place, Pentagon officials said.

But the target satellite, which was launched in May 1996 to survey the Earth's surface with infrared sensors, has a rapidly decaying orbit and there is some question that there will be any further opportunities to conduct the test, said a Pentagon spokesman, Michael Doubleday.

Away From Politics

• A fire at a Goodwill Industries warehouse in Washington destroyed more than $1 million in donated toys collected for children this Christmas. *(AP)*

• The superintendent of the Dallas school system agreed to plead guilty to misapplying public funds to buy herself bedroom furniture, and the school board accepted her resignation. The felony charge against the superintendent, Yvonne Gonzalez, carries a maximum sentence of five years in prison and a $250,000 fine. *(NYT)*

• Demolition experts detonated an old bomb found buried at a railroad construction site in Roseville, California. The bomb's discovery had forced about 400 people to leave their homes so that an army demolition crew could set off the bomb. The site was near an area where a trainload of bombs exploded 24 years ago. *(AP)*

Private Parts Of Clinton Stir Legal Debate

By Peter Baker
Washington Post Service

WASHINGTON — President Bill Clinton's attorney has denied that the president has the sort of "distinguishing characteristics" that Paula Corbin Jones described seeing on his body.

After much delay, Ms. Jones last week provided the president's legal team with an affidavit identifying the anatomical features that she has said would prove that Mr. Clinton propositioned her when he was governor by dropping his trousers in an Arkansas hotel room in 1991. To the contrary, Mr. Clinton's lawyer said Tuesday, the affidavit shows she does not know what she is talking about.

"At the appropriate time, I'm going to show that it's a sham," the attorney, Robert Bennett, said in an interview. "I now see why they didn't want to give it to me. It's baseless and easily refutable. This is just a cynical and outrageous effort to embarrass the president."

The affidavit was not filed in court or made public, and neither Mr. Bennett nor others in the case would publicly disclose its contents.

But the emergence of the document from the Jones camp — where it has been held for three years — illustrated that as the lawsuit proceeds into the evidence-gathering phase, the two sides are dealing with unseemly matters that could prove to be humiliating to the principal players.

Georgian Envoy Pleads Guilty in Fatal D.C. Crash

The Associated Press

WASHINGTON — A diplomat from the Caucasian republic of Georgia pleaded guilty Wednesday to involuntary manslaughter and other charges in the drunk-driving death of a 16-year-old Maryland girl, Joviane Waltrick, in January.

"I take full responsibility for what happened," said Gueorgui Makharadze, whose diplomatic immunity was waived.

Mr. Makharadze was held without bond pending sentencing on Dec. 19 before a U.S. Superior Court judge, Harold Cushenberry, on the charge of involuntary manslaughter and four counts of aggravated assault. Witnesses said he was speeding.

Mr. Makharadze, who was the second-ranking officer in Georgia's Embassy, demonstrated "a callous disregard for others," said Judge Cushenberry.

Witnesses told the police that Mr. Makharadze was weaving in and out of traffic when his car crashed into a line of cars at a stoplight.

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Kim Jong Il's Ascent May Presage a Thaw

Some See a Less Rigid North Korea

By Nicholas D. Kristof
New York Times Service

TOKYO — Kim Jong Il assumed North Korea's top leadership post Wednesday, ending a formal three-year vacuum of power in his country.

Some experts believe that his elevation creates possibilities for far-reaching changes in North Korea that could reverberate around the Pacific rim.

Mr. Kim now becomes the globe's least-understood national leader, in the world's most mysterious country — presiding over an army that is one of the world's biggest, with tons of chemical weapons and perhaps a few nuclear weapons at its disposal.

Mr. Kim, who is 55 and has never traveled outside the Communist world, is now in a position to expand a gradual opening-up of his country and develop ties with America, if as some experts believe that is what he wants to do.

"To be frank, North Korea is now headed for a free-market economy," said Kim Myong Chol, an unofficial spokesman for North Korea in Tokyo. "In Kim Jong Il's mind, not everything about capitalism is bad."

"He sees that Franklin Roosevelt incorporated good ideas of socialism into capitalism," Mr. Kim added. "In the eyes of Kim Jong Il, the Soviet Union failed to incorporate the good ideas of capitalism into socialism. In Kim Jong Il's eyes, North Korea has things to learn from America."

Few experts agree with Kim Myong Chol that North Korea is headed for a market economy anytime soon, and presumably no North Korean leader would dream of saying so openly. But Mr. Kim's willingness to make such comments underscores the new currents of thinking that are stirring in North Korea and that may become more evident under Kim Jong Il's formal leadership.

Thus some analysts expect modest but important changes in the years ahead, partly out of desperation because of the hunger and economic catastrophe that grips the country, while others emphasize that effectively Kim Jong Il has already been running the country for several years and they anticipate little or no change.

At one level, Kim Jong Il's election to be general secretary of the ruling Workers Party changes little, for he has been in control of North Korea ever since his father, Kim Il Sung, died in July 1994.

But the formal rise to power of Kim Jong Il suggests that the mourning period for the father has now ended, and the younger Mr. Kim has dropped some tantalizing hints that changes may now be in order.

The South Korean government issued a statement that seemed to express a cautious welcome to Mr. Kim, voicing hope that his election would increase stability in North Korea and lead to improvements in relations between the two Koreas.

"We've always been aware that North Korea was under the control of Mr. Kim Jong Il before this official announcement," a senior South Korean government official said Wednesday. "But now that he will have the actual post of head of the party, the North Korean government may be more stable, more responsible, and more predictable."

The position of president also has been vacant since the death of Kim Il Sung, and it is unclear whether Kim Jong Il will later assume that post as well.

North Korea is in many ways less a Communist state than a reincarnation of an ancient Korean kingdom, in which the ruler's mandate is based not on political mechanisms but on birthright and Confucian loyalties. Thus while it might have seemed odd elsewhere in the Communist world for a son to inherit power from his father or for the nation's top leadership posts to be left empty for three years after the death of a ruler, both patterns are borrowed directly from Korean kingdoms.

Likewise, the Korean press has lately described miracles such as trees blossoming in September, an oddity to Westerners but understandable to Koran traditionalists as signs that the Mandate of Heaven is passing.

"On the morning of Sept. 22, fishermen of the fishery station in Rajin-Sonbong City caught a 10-centimeter long white sea cucumber while fishing on the waters off Chongjin," the official press agency reported. "They said the rare white sea cucumber has come to hail the auspicious event of electing comrade Kim Jong Il as party general secretary."

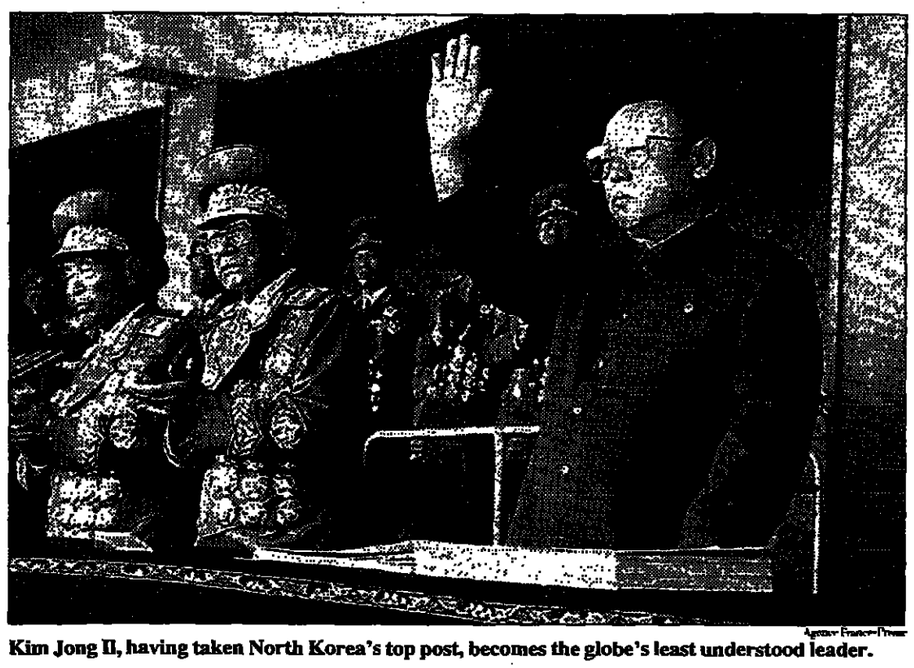
"Seeing the mysterious natural phenomena," the agency added, "Koreans say comrade Kim Jong Il is indeed the greatest of great men produced by Heaven and that flowers come into bloom to mark the great event."

Mr. Kim has often been portrayed, particularly by South Koreans, as little more than a playboy terrorist with a passion for films. But some scholars say that Kim Jong Il has a more serious side, and in the last few years he has presided over a modest economic liberalization, with invitations for foreign investment and a growing number of private markets emerging in the countryside for food and clothing.

In a remarkable series of tape recordings smuggled out of North Korea, Mr. Kim can be heard admitting that centrally planned economies do not work as well as the market. Moreover, in a major essay published in August, Mr. Kim gave the clearest indication that he might pursue more flexible policies.

"Improving the relations between the North and the South is an urgent requirement," Mr. Kim declared. He called for implementing long-frozen accords between the two Koreas and expressed willingness to negotiate with South Korea and also improve relations with Japan and the United States.

"We have no intention to regard the United States as our eternal sworn enemy," Mr. Kim wrote. "We hope to normalize the Korea-U.S. relationship."



Agence France-Presse

Kim Jong Il, having taken North Korea's top post, becomes the globe's least understood leader.

Smog Hasn't Dimmed Neighborly Ties, Jakarta Says

Reuters

JAKARTA — Foreign Minister Ali Alatas said Wednesday that the brush and forest fires on Sumatra and Borneo that are causing smog across Southeast Asia had not strained Indonesia's ties with its neighbors.

"There is no strain between Indonesian and neighboring countries because there is a mutual understanding between ASEAN countries," Mr. Alatas said before a cabinet meeting.

The Association of South East Asian Nations groups Brunei, Burma, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

President Suharto has apologized twice publicly for the fires. Smoke from the blazes, caused by the clearing of land for farming or settlements, has created a blanket of pollution which has blown over neighboring Singapore and Malaysia and even traveled as far as southern parts of the Philippines and Thailand.

"It is a pity, what has happened here also involved our neighboring countries," Mr. Alatas said. "We are concerned, but don't forget that all the losses, as well as health and economic problems, mostly affect our country."

The government has said more than 20 million citizens have been affected by the haze and up to a dozen regional airports have been closed for significant periods in recent months because of the lack of visibility.

In Singapore, meanwhile, heavy afternoon rains Wednesday washed away the pall of smoky pollution over the city, giving citizens there decent air to breathe.

At 6 P.M., the Pollutants Standard Index was at 33, its lowest level in weeks. A level of 50 or below is considered good.

BRIEFLY

Pakistan and India Expulsions

ISLAMABAD, Pakistan — Pakistan and India have sent home two diplomats accused of spying in tit-for-tat expulsions, officials said Wednesday.

Indian authorities played down the expulsions and said both sides had pledged to keep quiet about the incident until a Pakistani daily broke the news Tuesday.

The Indian Foreign Ministry said Pakistan asked Monday that New Delhi withdraw S. K. Chaudhury, an attaché in the embassy in Islamabad, for "activities incompatible with his diplomatic stams," a euphemism for spying.

"These charges against Chandhury are entirely false," the ministry said.

Later Monday, India asked Pakistan to withdraw Murad Baloch, an attaché in its New Delhi embassy, also for "activities incompatible with his diplomatic status," the Indian Foreign Ministry said. *(Reuters)*

Malaysia Starts New Capital

KUALA LUMPUR — Prime Minister Mahathir bin Mohamad launched Wednesday the project to build Malaysia's $8 billion new federal capital, Putrajaya.

The 4,580-hectare (11,300-acre) garden city project 25 kilometers (15 miles) south of Kuala Lumpur will comprise 20 precincts, including government, civic and cultural, commercial and sports districts and a mixed development precinct.

The prime minister's offices and official residence, part of phase one of the construction, are to be completed by next October. *(AP)*

2 Killed in East Timor Clash

JAKARTA — Two people died in fighting at an East Timor mountain shrine, military sources said Wednesday, including a man who tried to erect a banner bearing the flag of the guerrilla movement Fretilin.

East Timor's two Roman Catholic bishops canceled a pilgrimage to the top of Mount Tatamailau, also known as Ramelau, after the clash.

Fretilin, or Revolutionary Movement for an Independent East Timor, guerrillas have fought Indonesia's 1976 annexation of the territory. *(Reuters)*

Seoul Opposition Plans Suit

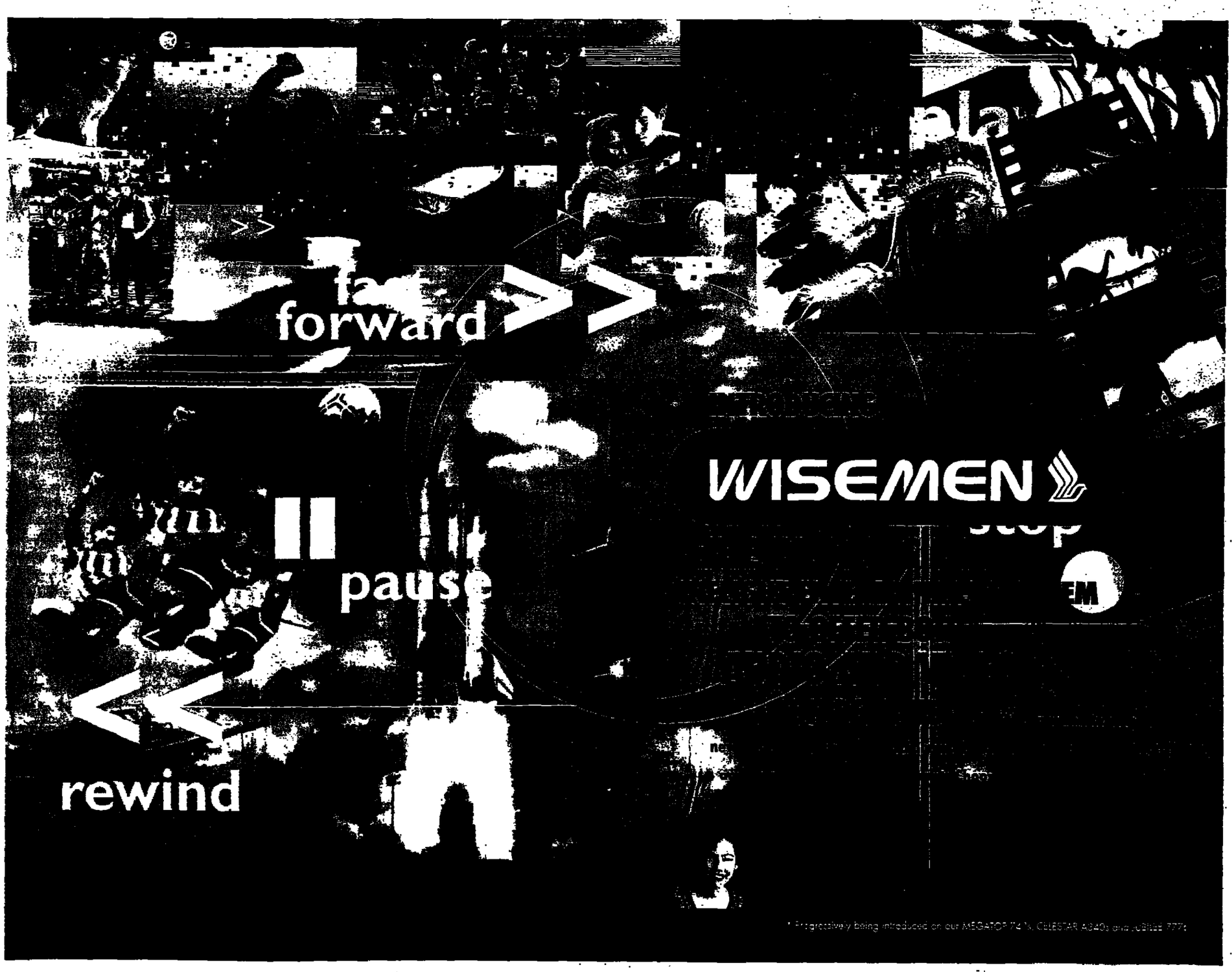
SEOUL — The leading opposition party in South Korea said Wednesday that it would file a defamation suit against the governing party over accusations that its leader, Kim Dae Jung, had amassed millions of dollars in a political slush fund.

The National Congress for New Politics rushed to defend its presidential candidate after the New Korea Party said Tuesday that he had accumulated more than 67 billion won ($73 million) in slush funds.

New Korea said the fund was managed by a nephew of Mr. Kim's wife, Lee Hyeong Taek.

"Our party has decided to report Lee Hoi Chang and Kang Sam Jae to the prosecution for defamation and to the central election management commission for slandering presidential candidates and distributing material containing false information," National Congress said.

Mr. Lee is the presidential candidate for New Korea while Mr. Kang, as secretary-general of the governing party, announced the slush-fund allegations. *(Reuters)*



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EUROPE

Serbs in Pale Are Feeling the Political Pinch

By Lee Hockstader
Washington Post Service

SARAJEVO, Bosnia-Herzegovina — Rigid Bosnian Serb nationalists blocking the U.S.-mediated peace plan for Bosnia have suffered repeated setbacks in recent weeks and are in their weakest position since the war ended nearly two years ago, analysts say.

The Serbian hard-liners, based in the village of Pale, outside Sarajevo, are hemmed in politically, squeezed on one side by the West and NATO military forces and on the other by their domestic rivals in the Serbian-controlled half of Bosnia.

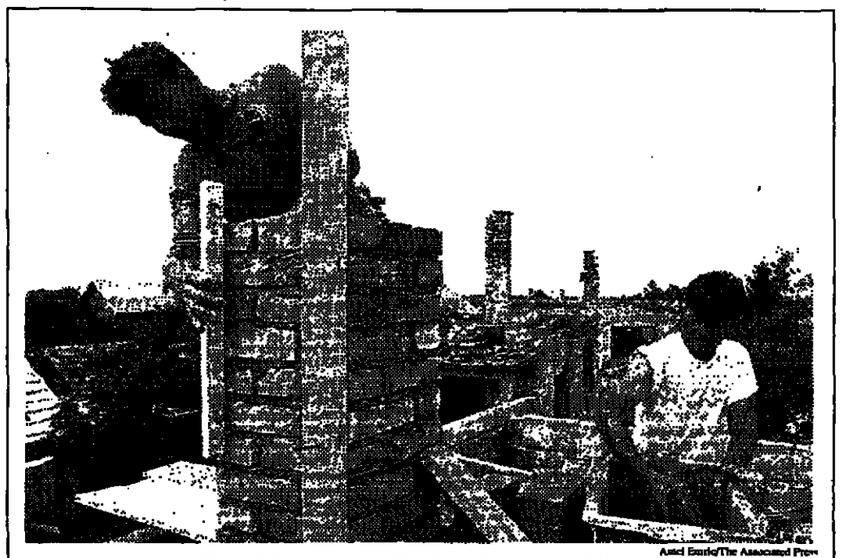
Western diplomats and other observers say the erosion of Pale's power has generated a ray of hope for progress toward a lasting settlement in Bosnia, where intransigence, hostility and mistrust have marked the postwar period.

The Serbs in Pale "are in quite a bad position," said Hrair Balian, director of the International Crisis Group, an organization that has backed more aggressive Western action in Bosnia. "They're being pinched from all sides and on different fronts. That's when they have sat down and started making concessions in the past."

The Bosnian Serb hard-liners have frustrated Western peace efforts by refusing to hand over indicted war crimes suspects, including the wartime president, Radovan Karadzic, and his military commander, General Ratko Mladic. They have refused to allow refugees to return to their homes, as the peace process envisions. And many cling to the idea that the Serbian-controlled half of Bosnia might become an independent state or be incorporated into "Greater Serbia," notions ruled out by peace settlement.

But in the last six weeks, the Serbian hard-liners loyal to Mr. Karadzic have suffered one loss after another, these among them:

• The defection of several police stations, which have switched allegiance to Mr. Karadzic's bitter rival, Biljana Plavsic, the Bosnian Serb president, who is backed by the West.



Amel Emric/The Associated Press

CEMENTING THE PEACE — Bosnian Muslim refugees repairing war-shattered homes on Wednesday in Omerbegovaca, a town on the former front line near the city of Brcko.

• A disastrous attempt to stage a rally in the town of Banja Luka, Mrs. Plavsic's stronghold, which ended with its leaders fleeing town under a hail of stones and eggs.

• The voluntary surrender Monday of 10 Bosnian Croat war crimes suspects, which trained the spotlight squarely on the remaining indictees at large, nearly all of them Serbs.

• NATO's seizure last week of four television transmitters, which shut down Pale's ability to broadcast its unyielding propaganda.

The loss of the television towers was a sharp blow for the Bosnian Serb leadership, with political implications. Troops of the NATO-led Stabilization Force for Bosnia seized the towers after Pale's hard-line, state-controlled television station ignored repeated warnings not to cross the West.

On Wednesday, Western officials told Momcilo Krajisnik, the hard-line Bosnian Serb member of Bosnia's three-member presidency, that if Pale wants its television station back, it will have to submit to a set of conditions. These include accepting a station director from abroad, appointed by the West; dismissing the three members of the board of directors from Mr. Karadzic's party, including Mr. Krajisnik himself, and rewriting the station's charter. The new Western management would be empowered to hire or fire Serbian journalists.

The loss of the airwaves is of special concern to the Bosnian Serb leadership in Pale because of elections later this fall. Pale had hoped for a reprieve in the form of a deal brokered last month by the Yugoslav president, Slobodan Milosevic. The hard-liners, believing Mrs. Plavsic lacked popular support and a party structure of her own, agreed to new parliamentary elections in November in return for her vague commitment to risk her own position by submitting to presidential elections in December.

Part of the deal was that the two sides would alternate broadcast time night by night. But without control of the police and, now, with little access to the airwaves, Pale's chances of prevailing in parliamentary elections are diminished. Washington, meanwhile, has effectively killed any chance of presidential elections taking place this year by saying they are logistically impossible.

Prodi's Deputy Sees Hope For an Italian Budget Pact

Reuters

ROME — The deputy prime minister, Walter Veltroni, expressed hope Wednesday that Italy's coalition government could hammer out a deal with its Communist allies on the 1998 budget and that the government would present its proposals to Parliament on Thursday.

The government, Mr. Veltroni said, now has "some reasons for hoping that tomorrow will not turn out badly."

The issue of pensions is the most sensitive one dividing Prime Minister Romano Prodi and the Refounded Communists, a small extreme-leftist member of his coalition.

The group wants to protect old-age pensioners from the government's austerity plans, while the government wants to speed reform of the state pension system — reform it considers vital to cutting Italy's deficit and meeting the criteria to join European economic and monetary union at its scheduled start in 1999.

Massimo D'Alema, leader of the Democratic Party of the Left, the biggest party in the coalition, said Wednesday that the government was studying ways to accept some of the demands of the Refounded Communists to alter the budget.

"We are seeking possible ways which do not go against the principles of the government's general economic policy to come even closer to the points raised by the Communists," Mr. D'Alema said.

The leader of the Refounded Communists, Fausto Bertinotti, responded almost immediately. He said that if the government said workers in the private sector could "retire according to current laws," this "could break the deadlock" in negotiations.

Mr. Bertinotti's and Mr. D'Alema's comments may be just enough to show they are trying to move closer to one another's positions, not only to save political face but also to keep Mr. Prodi's 17-month-old government from collapsing.

Mr. Prodi depends on the remnant of Italy's old Communist Party led by Mr. Bertinotti to secure a majority in the lower house of Parliament. Without that support, he has virtually no chance of getting his deficit-cutting budget passed into law.

The prime minister also spoke with President Oscar Luigi Scalfaro over the crisis besetting his government, but no details emerged of their discussions.

Mr. Prodi, sensing a chance of a compromise with the Communists, called a time out in a Chamber of Deputies debate Tuesday to allow for more discussions with the hard left.

He will return Thursday for a closing speech to the lower house, to be followed by a vote on the address he gave to the house Tuesday. The motion will not be a confidence vote, but if Mr. Prodi loses, his government may be terminally damaged.

The spokesman on economic matters for the Refounded Communists, Nerio Nesi, said, however, that the chances of resolving the differences had improved in the past 24 hours. "Discussions are going on," he said. "The situation seems a lot calmer. There's a 50-50 chance" of an agreement.

■ Assisi Basilica to Be Strengthened

A crane will lift a retaining cap of pipes into place to prevent further damage to part of the quake-shattered exterior of the Basilica of St. Francis of Assisi, a spokesman for the church in that Italian town said, according to The Associated Press.

A pair of earthquakes Sept. 26 destroyed ceiling frescoes in the basilica and caused part of the outside of the south transept to crumble. Aftershocks worsened the damage to the exterior, a peaked wall called a tympanum.

A larger crane will lower the crane into the convent of the Franciscan brothers connected to the church, the Reverend Nicola Giandomenico said. The smaller crane will lift the retaining structure on to the transept.

French Revive Murder Case

Reuters

PARIS — The unsolved murder of a lawmaker has returned to haunt the French Parliament as a new book on the case provoked accusations of dirty tricks and attempts to destabilize the state.

Francois Bayrou, a conservative deputy in the National Assembly, urged the Socialist government on Tuesday to reopen an inquiry into Yann Piat's murder after allegations in the new book that she was shot by members of the secret service.

Mr. Bayrou demanded the fresh investigation to clear the names of two former conservative ministers, Francois Leotard and Jean-Claude Gaudin, who were implicated in the book as being behind a plot to kill Mrs. Piat.

"This is not an ordinary dirty trick," Mr. Bayrou told the National Assembly. "Beyond the men targeted, this is an in-depth attempt to destabilize the French Republic and democracy."

His call followed publication of "The Yann Piat Case: Murderers at the Heart of Power," which said Mrs. Piat was killed three years ago because she had uncovered plans to sell army land on the French Riviera to the Mafia.

Mrs. Piat, who campaigned against Mafia drug traffickers in southern France, was shot and killed in her car at night on a deserted Riviera road by suspected hired gunmen on a motorbike.

Small-time criminals are due to stand trial in an assize court next year, but investigations have failed to establish who was behind the murder.

The book, by Andre Rougeot and Jean-Michel Verne, said two businessmen brothers who died two months after Mrs. Piat were killed because they knew who ordered the murder. They died from inhaling car exhaust fumes in their garage, and their deaths were ruled suicide.

The book was published last month before regional elections in which Mr. Leotard, the head of the Union for French Democracy, faces a strong challenge on the Riviera from the far-right National Front.

Prime Minister Lionel Jospin, who came to power last June, recalled that the Socialists were out of power at the time of the killing. He said he did not understand why he was being asked to act as there had been no fresh evidence in the case since Mr. Leotard's successor at the Defense Ministry, Charles Millon, denied any military involvement last year.

Mr. Leotard on Tuesday published an article in Le Monde, appealing to the government and President Jacques Chirac to act against what he called "the ministry of dirt."

"Who will muster the legal and political courage to stop the constant drift in France from mockery to slander, from slander to insult, and soon from insult to violence?" he asked.

BRIEFLY

Communists Defy A Yeltsin Warning

MOSCOW — Russia's Communist-led Parliament vowed Wednesday to press ahead with a no-confidence vote in the government, defying warnings that it could end in a showdown with President Boris Yeltsin.

Prime Minister Viktor Chernomyrdin, in a rare speech to the State Duma, the lower house, pleaded with deputies to drop their threats aimed at the government's economic reform program.

But the Duma's Communist speaker, Gennadi Seleznyov, said after Mr. Chernomyrdin's speech that faction leaders in the Duma had agreed to meet Tuesday to set the date for the vote and it would go ahead on Oct. 15 or 16.

The Duma is on collision course with Mr. Yeltsin, who has issued veiled threats to dissolve the Duma if it does not stop dragging its feet on economic reforms. *(Reuters)*

Germans Approve The Eurofighter

BONN — The German government approved a project with Britain, Italy and Spain on Wednesday to build a European combat jet, removing one of the last obstacles for the long-delayed project.

Chancellor Helmut Kohl's cabinet decided it wanted to buy the high-tech Eurofighter starting in 2002 to replace aging planes.

The proposal requires the approval of Parliament, where scattered members of Mr. Kohl's three-party ruling coalition could withhold support. *(AP)*

Swiss Challenge A Report on Gold

ZURICH — The Swiss government and central bank are questioning the results of a report by the World Jewish Congress that said Nazi Germany had poured more looted gold than previously acknowledged into Switzerland.

Finance Minister Kaspar Villiger said the Swiss National Bank had already opened its records and published a detailed accounting of its gold buying and trading during World War II. *(Reuters)*

For the Record

David Andrews has been named Ireland's new foreign minister, handing him responsibility for Northern Ireland at a key time in peace talks. *(Reuters)*

Tory Attacks Multiculturalism

Reuters

BLACKPOOL, England — A former Conservative cabinet minister was at the center of a political storm Wednesday after predicting Britain would "become a Yugoslavia" unless it stamped out multiculturalism.

Legislators from the governing Labour Party and the minority Liberal Democrats said the remarks by Lord Norman Tebbit were offensive to Britain's ethnic minorities and urged the Conservative leader, William Hague, to discipline him.

Mr. Hague quickly attacked Lord Tebbit's speech, which was made Tuesday night to a fringe meeting at the Conservatives' annual conference here. "I want a Conservative Party that embraces people, that doesn't attack people, that stands for patriotism without bigotry," he said. "If you don't want to be part of the team, then get off the field. I hope he will bear that in mind in future."

Mr. Hague is trying to use this week's conference to re-establish the Conservatives as one of Britain's two dominant political parties despite opinion polls showing it has the backing of fewer than a quarter of Britons.

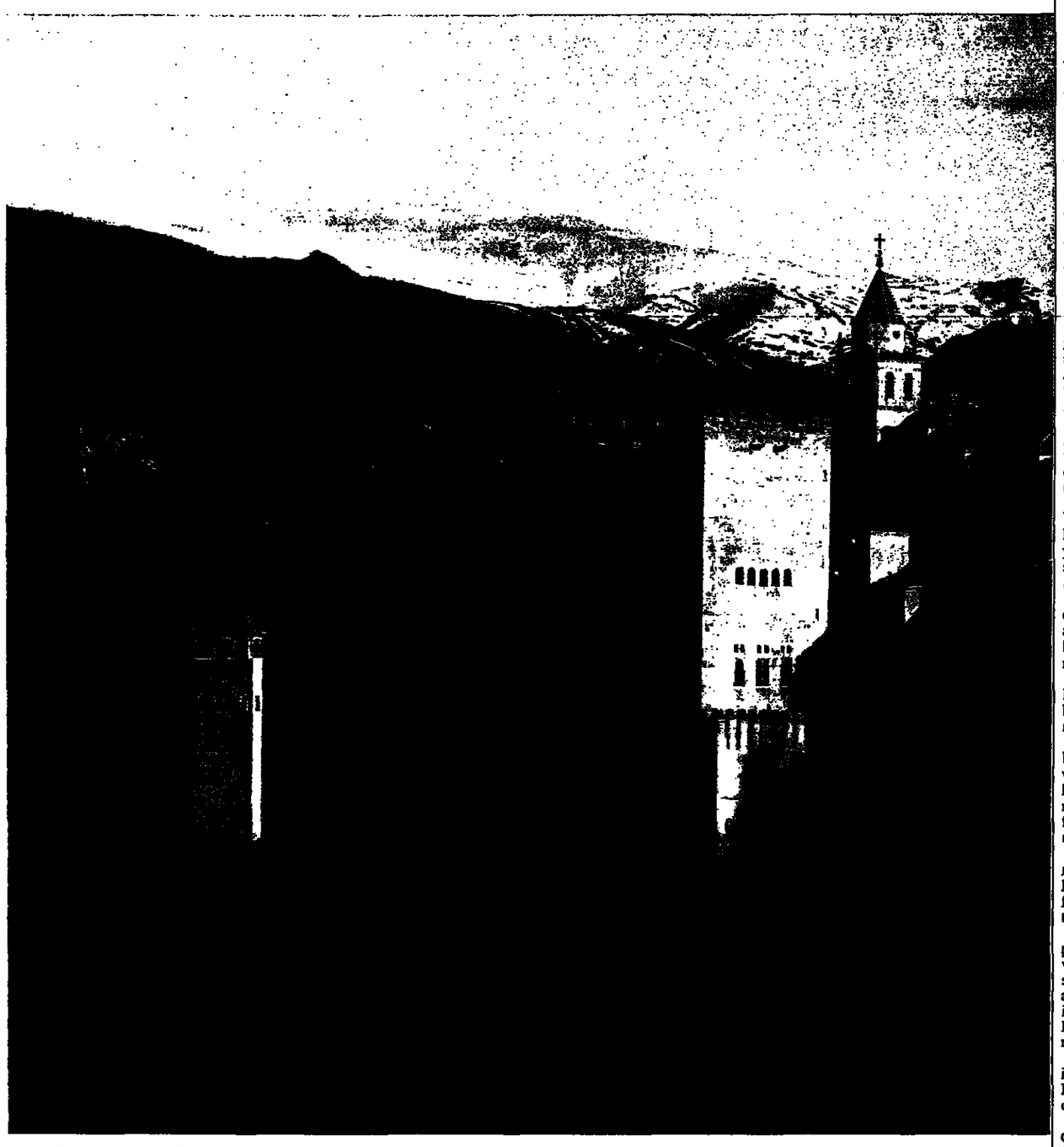
The Conservatives lost power to Labour in an electoral landslide in May.

In his speech, Lord Tebbit, a close ally of former Prime Minister Margaret Thatcher and the Conservative Party chairman from 1985 to 1987, described multiculturalism, which acknowledges and sometimes celebrates ethnic differences in a populace, as "a divisive force" that perpetuated ethnic divisions.

"Youngsters of all races born here should be taught that British history is their history, or they will forever be foreigners holding British passports, and this kingdom will become a Yugoslavia," he said.

A Labour member of Parliament, Keith Vaz, one of the few ethnic Asian legislators, called Lord Tebbit's remarks "deeply offensive, insulting and characteristically stupid."

He called on Mr. Hague to withdraw the parliamentary whip from Lord Tebbit, which would in effect throw him out of the party's grouping in the House of Lords.



The Alhambra in Granada

SPAIN HEIGHTS

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INTERNATIONAL

BRIEFLY

UN Sets Sanctions On Sierra Leone

UNITED NATIONS, New York — Frustrated by a lack of progress in dislodging the troops who deposed the elected president of Sierra Leone in May, the UN Security Council voted Wednesday to impose sanctions on the West African country, prohibiting the import of petroleum products, arms and any other military equipment.

The sanctions will also strictly limit the international travel of members of the military junta and their adult family members by asking all nations to bar entry or transit privileges to them, except in certain special circumstances. The council repeated demands that those who seized power should take steps toward relinquishing it.

Renegade soldiers and a separate militia organization calling itself the Revolutionary United Front overthrew the president, Ahmad Tejan Kabbah, on May 25. *(NYT)*

Kenyan Teachers March in Nairobi

NAIROBI — Ignoring an ultimatum to return to work, thousands of striking teachers took to the streets of the Kenyan capital Wednesday to protest the government's refusal to increase salaries.

More than 287,000 teachers walked off the job Oct. 1, leaving 7 million elementary and high school students idle. The teachers, whose salaries average from $30 to $40 a month, are demanding pay increases of 150 percent to 200 percent. The government says it cannot afford the increases. *(AP)*

Mars Phones Home

LOS ANGELES ...lieved that Mars Pathfinder's main transmitter is able to communicate with Earth again, mission scientists now plan to do a full run of the spacecraft's engineering data.

"We g... signal right when we expected ... Brian Muirhead, the Pathfinder project manager at NASA's Jet Propulsion Laboratory, said Tuesday after scientists got their first signal in more than a week from the main transmitter. The communications difficulty stems from Pathfinder's aging batteries. *(AP)*

Citing Iraqi Violations, U.S. Steps Up Air Patrols

By Philip Shenon
New York Times Service

WASHINGTON — American jet fighters have stepped up their patrols over the American-enforced no-flight zone in southern Iraq after Iraqi planes breached the zone several times over the last week, according to the Pentagon.

Defense Department officials said two Iraqi fighters had violated the area Tuesday, apparently to test American resolve to enforce the no-flight zone and to offer at least a symbolic response to Iranian air attacks last week on military camps used by Iranian opposition groups in southern Iraq.

Iraqi and Iranian pilots have been put on notice by the Pentagon in recent days that they risk attack if they continue their incursions into the no-flight zone, which was established by the United States and its allies after the Gulf War in 1991. The warning to the Iraqis was repeated Tuesday at a Defense Department news conference.

"If they carry out flight operations, they risk getting shot down," said Captain Michael Doubleday, a Pentagon spokesman. "We've done that in the past. We stand ready to do it in the future. But I'm not in a position to predict if and when that will occur."

Last week, the Pentagon announced that Defense Secretary William Cohen had ordered the aircraft carrier Nimitz to skip a port call in Singapore and hurry from the South China Sea to the Gulf on a previously scheduled deployment. The carrier is expected to arrive in the Gulf four or five days ahead of schedule.

In what may be a reflection of the Clinton administration's hopes for improved relations with the Iranian government, Mr. Cohen said that the show of strength with the Nimitz was meant as a warning to Iraq, not Iran, and his spokesmen said Tuesday that the Pentagon was far more concerned about Iraqi violations of the no-flight zone than Iranian violations.

"I think you need to go back and take a look at what the purpose of the no-fly zone is, and the no-fly zone is designed to keep Iraqi aircraft in check," Captain Doubleday said.

"I think the signal of the aircraft carrier going to the region, the constancy of our flights over there, make it very clear that the Iraqis are very restricted in their ability to carry out air operations."

The American aircraft carrier is to join several other American ships in the Gulf, including five destroyers and three guided-missile frigates.

The Pentagon refused to say exactly how many times the Iraqi military had violated the American-patrolled area over the last week, nor would it explain why the Iraqi MiG fighters had not been shot down.

Captain Doubleday said there had been "several" violations by the Iraqis, most of them in daylight, and that American fighters based in Saudi Arabia and Bahrain had stepped up their patrol flights as a result.

"I will describe them as being primarily just skirting the no-fly zone," he said of the Iraqi moves. On Monday, Iraq warned that it would hit back at Iran "blow for blow" if it mounted new attacks on the bases in southern Iraq used by the Iranian opposition. Several Iranian jet fighters bombed two of the bases near the Iran-Iraq border on Sept. 29.

Algerian Islamists Set Up New Group

Agence France-Presse

LONDON — A member of Algeria's outlawed Islamic Salvation Front has announced the creation of a breakaway group and renounced a cease-fire declared by the Front's military wing.

Ahmed Zaoui, a member of the Front's consultative council, said in a communiqué seen Wednesday in London that a "coordination council abroad" was being set up.

He also rejected the cease-fire that the Islamic Salvation Army began Oct. 1, after more than five years of conflict with Algeria's secular regime.

In the communiqué, written in French and Arabic, Mr. Zaoui said: "We consider that the executive has lost all reason to be, given its defeatist resignation and its flagrant failure in representing the FIS line."

"It has totally failed in unifying FIS ranks," he added.

The Front's executive in Bonn has regarded itself as the sole body authorized to speak on behalf of the front overseas.

The Islamic Salvation Front was outlawed inside Algeria in 1992 after the military blocked legislative elections that it was poised to win.

■ **3 Rail Workers Killed**

Three railroad workers in western Algeria were killed as the result of a bomb explosion as troops, advancing on Islamic rebel bases near Algiers, killed 21 guerrillas, Algerian newspapers said on Wednesday, Reuters reported. It said 13 workers were injured.

BOOKS

ENDURING LOVE

By Ian McEwan. Jonathan Cape. 247 pages. £15.99.

Reviewed by Katherine Knorr

WHAT is it that makes Ian McEwan's terrifying stories so compelling? His characters are not terribly interesting, and his language is plain when it isn't bland. But he is a master of the ordinary, and the extraordinary power of his books comes from the subtle and yet implacable way that everyday lives collide with evil.

In "The Comfort of Strangers," his protagonists stumble to their doom through a dark tourist-season city, and the reader every moment senses that something is going to move in that darkness. In "The Innocent," his version of a divided-Berlin thriller, a rather mournful engagement party ends with the studious dismemberment of an embarrassing corpse.

In his most recent novel, "Enduring Love," we get a Jesus freak stalker whose obsession with the protagonist disrupts a number of lives almost irreparably.

Clarissa and Joe Rose are a happy couple with a comfortable London life. She is an academic specialist on Keats, he a successful science journalist. There are shadows, of course, Clarissa's inability to have children, Joe's regrets about a scientific career that didn't happen, but they seem minor.

When their lives unravel, however, they do so surprisingly quickly. In McEwan's books, it takes very little for the ship to capsize.

Meeting for a picnic after a long trip by Clarissa, they witness a freak balloon accident. Rose and four others try to save a boy in the balloon — who will survive — but the rescue goes awry and one of the would-be rescuers will fall to this death, through no particular fault of any other individual.

Rose, however, will be hounded by guilt and by that impossibility to remember that follows so many accidents: Who let go of the balloon first? More alarmingly, the accident will trigger an obsession for Rose by Jed Parry, a nut case with money and time on his hands. What seems comical at first, or maybe just a homosexual crush, gradually begins to Rose to seem deadly — or has he gone mad? Rose's response to Parry will drive Clarissa away and gradually so upset the foundations of his posh life that he will buy a gun.

"Enduring Love" turns also on the anger of Professor John Logan's widow, who has convinced herself that her husband was with another woman on the day that he died in the balloon rescue.

Rose will go to some length to straighten out that situation, at least partly because of the children. "So when I turned in my chair to meet the stare of the Logan children, I saw myself configured in their eyes — yet one more dull stranger in the procession lately filing through their home, a large man in a creased blue linen suit, the coin of baldness on his crown visible from where they stood. His purpose here would be unintelligible, beyond consideration. Above all, he was yet another man who was not their father."

McEwan's opening scene — the few moments during which things are still uncertain, then the quickening action when it is clear that something is going to go terribly wrong — is a masterpiece of taut and precise writing.

Suddenly the action stops, the balloon floats away, the man is down: "His tweed jacket was unmarked, though it drooped strangely, for his shoulders were narrower than they should have been. They were narrower than any adult's could be. From the base of the neck there was no lateral spread. The skeletal structure had collapsed internally to produce a head on a thickened stick. And seeing that, I became aware that what I had taken for calmness was *absence*."

Neither absence nor calm will follow. After Rose rebuffs Parry's wish to pray with him, Parry will start calling, writing, standing vigil outside the Rose house. Some of the time, Rose is the only one who actually sees him. Parry becomes invisible to all but the man he is stalking, while Rose seems to others to be suffering from an embarrassing disease he's brought on himself.

Although Rose's predicament is increasingly frightening, the circumstances allow for black comedy, as when he gets a sometime drug dealer acquaintance to take him to the home of time-warped hippies to buy a gun.

There he will find perhaps the last hippie chick in all of England standing at the stove: "In England, hippiedom had been largely a boys' affair. A certain kind of quiet girl sat cross-legged at the edges, got stoned and brought the tea. And then, just as the Great War emptied the stately homes of servants, so these girls disappeared overnight at the first trump from the women's movement."

ROSE does what any law-abiding, self-confident citizen will do when in trouble: He goes to see the police. Detective Constable Wallace is not without a certain sympathy: "... I'm not saying you don't need help," he will tell Rose before waving before him a pack of pills. "You know what they are? Me, I take two before breakfast. Forty milligrams. A double dose, Mr. Rose."

And that perhaps is when Rose realizes that he has really and truly stepped through the mirror.

International Herald Tribune

BRIDGE

By Alan Truscott

LEADING in the race to be named busiest bridge writer of 1997 is Barry Rigal who offered three books to the bridge public in the spring.

One is an update of "Master Play." a classic work by the late Terence Reese. The second is a book on deception in defense. And the third is "Precision for the 1990s," an account of modern developments in one of the world's most popular systems.

The book has a section on Relay Precision, a relay method in which one player asks a series of questions and his partner describes his hand according to predetermined rules. In the diagramed deal, the relays helped North-South avoid the precarious three no-trump, which would be defeated easily if played from the normal North position.

The opening one no-trump showed 12-15 points, and two diamonds was a game-forcing response that asked for a description. North's next three bids showed that he had 3-3-3-4 distribution and five controls, counting an ace as two and a king as one. Then South should have settled in five diamonds since the chance that North held the hand that would make a slam a good contract was quite poor. But South was carried away by optimism, relayed once too often, and landed in a "hopeless" six diamonds.

The bidding's meaning was fully explained to the opponents but did not help them much. As North had described his hand, the opponents knew a great deal about the dummy and virtually nothing about South's hand. Sometimes, it works the other way and the defenders have a helpful description of the declarer's hand.

The declarer was Ken Barbour. When the club ten was led, he summed up the situation quickly and allowed the ten to win. West had no reason to know that a spade shift was essential, and played a second club.

Now, South won with the club ace, drew trumps and played clubs. Thanks to the even split, he was able to discard his spade loser. When the heart jack fell conveniently, he had made his impossible contract. East and West should have played the club jack on the first trick since he would know what to do if permitted to win.

NORTH (D)
♠ Q 7 3
♡ A 8 5
◇ A J 2
♣ K 8 6 5

WEST
♠ K 8 5 4
♡ 9 7 4 3
◇ 9 6
♣ 10 9 4

EAST
♠ A 10 9 6 2
♡ J 2
◇ 10 8 3
♣ Q J 2

SOUTH
♠ J
♡ K Q 10 6
◇ [illegible]
♣ [illegible]

Both sides were vulnerable. The bidding:

North	East	South	West
1 N.T.	Pass	2 ◇	Pass
2 N.T.	Pass	3 ♣	Pass
3 ♣	Pass	4 ♣	Pass
4 N.T.	Pass	5 ♣	Pass
5 ♡	Pass	6 ◇	Pass
Pass	Pass		

West led the club ten.

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Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

A Solution for Algeria

Last weekend was, unfortunately, typical for Algeria, these days the bloodiest country in the world. In a warm-up Thursday night, someone killed 20 members of a wedding party. Thirty-four children were among the 75 people killed early on Friday. A school bus ambush killed 16 more children on Sunday. By such increments Algeria's five-year war of the army versus Islamic gunmen has taken tens of thousands of lives.

There lies the humanitarian magnet drawing global attention to the former French colony's horrors. And there lies the political interest of the cease-fire just called by the armed wing of the main Islamic political front, the outlawed Islamic Salvation Front.

The resulting truce leaves unconstrained the rival and more extreme Armed Islamic Group, which the government holds chiefly responsible for the appalling village massacres. But the truce has stirred discussion of possible political talks between Algerian officials and the Islamic Salvation Front. This would be a breakthrough. It was the army's cancellation of elections that this organization was about to win in 1991 that touched off the violence enveloping the country still.

Something only dimly understood is unfolding in Algeria, where the government forbids independent inquiry. The geographic pattern of the village killings and the politically Islamist character of some of the victims have prompted speculation that the responsibility should fall not just on the extreme Armed Islamic Group, which does claim some murders and is suspected of others, but also on the army itself. It is noted that ferocious slaughters take place ever closer to the capital and closer as well to the military camps that presumably would be protecting the target villages.

Beyond the question of blame for war crimes are the faintly emerging political possibilities. Some of the armed Islamic groups, including the largest, seem to be moving toward a dialogue with the Algerian authorities. That puts a burden on the authorities to overcome their own evident hesitations and differences and to reach out to Islamic elements which, if they are not "moderate," could be shifted in that direction. It is an uncertain prospect, but there is no other way to foresee an end to Algeria's travails.

The United States lacks France's direct interest, by history and proximity, in Algeria, but it has a strong indirect interest in the dimensions of strategy, stability, energy and, of course, humanitarian concern. The French government grants the United States an interlocutor's role. The American purpose must be to reinforce any French inclination to bring a rule-abiding Islamic Salvation Front into what has been up to now the dangerously closed process of Algerian politics.

—THE WASHINGTON POST.

Thunder in the Senate

In its substance and its drama, Tuesday was a climactic day in the Senate's yearlong struggle over campaign money. The heretofore cocky majority leader, Trent Lott, failed in his effort to scuttle the McCain-Feingold campaign reform bill by attaching an anti-labor amendment. Meanwhile, at the hearings on fund-raising abuses of last year, Senator Fred Thompson issued a blistering challenge to President Bill Clinton to rip down the investigative blockade erected by his attorney general, Janet Reno. And Senator Joseph Lieberman, warming to his role as the committee's most fair-minded Democrat, said the logical response to White House obstruction was to extend the committee hearings past the Dec. 31 deadline. "We've got to keep charging the wall that's being erected to block our inquiry," Mr. Lieberman declared.

All this upstaged what was to have been the day's top event, the testimony of the master of the White House money machine, Harold Ickes. Mr. Ickes, the president's former deputy chief of staff, delivered his most operatic version of the Democrats' standard tune: We Were Just Copying Ronald Reagan. But that could not divert from twin realities that cut into both parties on Tuesday.

The Democrats know that Washington is fairly vibrating with congressional and public rebellion against Ms. Reno's refusal to allow a fair, broad investigation of how the Democrats financed their campaign. Meanwhile, Republicans are squirming with the knowledge that while Republican members of the Thompson committee are documenting the abject corruption of the present campaign system, Mr. Lott is plotting madly to preserve it.

He had assured his colleagues that he had the votes to amend the McCain-Feingold bill with a poison-pill measure curbing labor's ability to raise campaign money. But with at least five Republicans prepared to join 45 Democrats in voting "no," he withdrew his amendment entirely rather than risk defeat. Then eight Republicans joined with the Democrats in an attempt to cut off debate and vote. Even though the 53-vote total was seven short of the 60 needed to end a debate, the lesson was that a majority of senators want to change the system.

This means that if Senators John McCain and Russell Feingold can keep their legislation on the floor, they can squeeze Mr. Lott into behaving. In the days ahead, he may become as desperate to bury the bill as the Democrats are to keep Ms. Reno's stopper in the Justice Department bottle.

On the latter issue, Mr. Thompson has rarely delivered a more focused and acerbic performance. He rightly depicted Ms. Reno's plan to investigate only Mr. Clinton's fund-raising telephone calls as a dodge to mask Justice's indifference to illegal foreign contributions, fleeing witnesses, missing documents and undiscovered tapes. Senator Pete Domenici weighed in with the entirely logical suggestion of calling Ms. Reno to explain how she could rule out a special prosecutor when the FBI had been reined in and when her assurances that the investigation was proceeding vigorously now stand as demonstrably untrue.

All the partisan rage did not detract from the Republicans' key point. Based on the work done by the FBI and Justice Department prosecutors, Janet Reno cannot possibly know at this point who was responsible for campaign law violations.

In providing the opening shot for his long-awaited testimony, Mr. Ickes tried to blur the issue. He spoke of Ms. Reno as a figure of integrity, and Mr. Clinton's fund-raising effort were simply an extension of what has gone on before. But this scandal, as he surely knows, goes way beyond presidential telephone calls or whether a reception was held in this room or that. The evidence already suggests clear violations of law in the harvesting of foreign money and the switching of campaign accounts. The recently revealed White House tapes showed people alleged to have been involved in these activities rubbing shoulders with the president.

All that is to say that Mr. Ickes's passionate assurances about Ms. Reno's integrity are beside the point. It is her competence that the nation has to worry about. That concern will stand out starkly when the history of this period is written. By then, too, we will know whether Trent Lott succeeded in preserving the law that produced so much corruption.

—THE NEW YORK TIMES.

Other Comment

Goons Versus Journalists

Early this year, the handcuffed and tortured body of Argentine news photographer José Luis Cabezas was dumped inside his car and set afire. He had been shot in the head. Enterprising crime reporters work daily in the face of lethal retaliation in Latin America, and as often as not the threat comes from thugs allied with the ruling circles. The systematic harassment of reporters and editors has allowed democratically elected but habitually oppressive governments to work in the shadows.

In the last 10 years, 173 journalists have been murdered in Latin America. The killers are not spurned lovers, loan sharks or desperadoes. They are goons, some of them rogue cops, whom you will find hanging around officials in $700 suits who conduct business in the halls of power. Sometimes it seems that only vigilant journalists can change this picture, if they survive.

— Los Angeles Times.

Herald INTERNATIONAL Tribune

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Good for Ted Turner, and May He Be Imitated

By James Gustave Speth

NEW YORK—Ted Turner's gift to the United Nations is a godsend.

Beyond the tangible benefits that it will have for the world's poor and dispossessed, it comes at a time when UN resources for refugees and human development are shrinking, even though the needs and opportunities are growing. It is thus a wake-up call to governments which, citing domestic priorities, are slashing their development and humanitarian assistance.

It may even nudge those governments that now owe the United Nations some $2.5 billion (including more than $1 billion owed by the United States) to pay their debts.

Did Mr. Turner make a sound investment in focusing his generosity on the United Nations? The answer, I believe, is clearly "yes." And his extraordinary gift calls attention to a part of the United Nations that works well and that is essential to the rest.

Throughout the Cold War, when the Security Council was often deadlocked, another United Nations emerged and flourished, a United Nations engaged with refugees and the internally displaced, with the poor and hungry, with child survival and advancement of women, with population and environmental initiatives, with food security and programs to strengthen democratic governance. Indeed, most of the United Nations' financial resources and most of its personnel are dedicated to assisting the poor.

For millions in the poor countries, the United Nations is not merely an international forum but the bearer of tangible benefits. The blue flag has the respect it does because it is the symbol of people helping other people build a just and sustainable world.

In its work in these areas, the United Nations brings special strengths.

• UN programs focus heavily on the neediest countries, and on the neediest people within those countries. For example, 90 percent of program funds in the UN Development Program are allocated to some 67 countries that are home to 90 percent of the world's people in absolute poverty.

• The neutrality of the United Nations means that it does not represent any particular national or commercial interest, or interests of "donors" generally. It can therefore develop special relationships of trust with countries and their people, and provide long-term capacity-building assistance free of short-term political or economic objectives.

• While bilateral aid programs are cutting back, the United Nations' universal presence means that it does not overlook any poor country. Through its unmatched network around the world, it emphasizes bottom-up, country-driven programming of assistance, with heavy involvement of community-based organizations and the poor themselves.

• The United Nations has a special capability to coordinate humanitarian assistance and to link it to reconstruction in post-emergency situations, including the clearing of land mines. The breadth of the United Nations' work is unique. It can link work in peacebuilding, care for refugees and relief, reconstruction and development, and it provides an ideal base of support for early-warning and preventive-development initiatives.

The great goals for which the international community has worked — peace, democratization and human rights, an end to poverty and hunger, environmental protection, population stabilization, the control of drugs and terrorism — can be achieved only in the context of sustainable, people-centered development. The United Nations has a track record second to none in promoting that kind of development.

Also, powerful ethical and political considerations underscore why the United Nations must keep a balance between its peacekeeping and international security activities, on the one hand, and its activities to promote human betterment and help people realize their aspirations for decent lives. The moral authority of the United Nations is built in large part on real service to real people, and this moral authority is fundamental to its success in peacebuilding and elsewhere.

The United Nations is based on the principle that it should reflect the widely shared priorities of nations. The priority of most countries and most people is development. If that priority is not respected in UN activities, the political compact that holds the world organization together is likely to crumble. If we want a United Nations for peace, we need a United Nations for human development.

In recognizing the importance of these relationships, as well as of the UN capacity to turn money into genuine help for the world's neediest, Ted Turner has set an example not only for increasingly shortsighted donor governments but also for the world's 450 billionaires, whose collective assets exceed the annual incomes of half the world's people.

As important as the gift itself is Mr. Turner's commitment to press the United Nations' case with others, both individuals and corporations, who can join with him in securing a better world and a better United Nations.

The writer is administrator of the UN Development Program. He contributed this comment to the International Herald Tribune.

You Either Hand the Money Out or Give It to the Government

By Richard Reeves

NEW YORK — I was in Dallas on the day Bill Gates, the richest man in America, announced he would be creating a foundation to give $200 million over five years to computerize libraries around the country.

I happened to be talking with another rich man, Raymond Nasher, about his contribution of $32 million to buy and develop two acres (0.8 hectares) of land next to the Dallas Museum of Art to create a sculpture garden. "It's about time," said Mr. Nasher, who built homes and shopping malls.

That was in June. Since then the stakes and tempo of American philanthropy have been increased by my favorite loose cannon, Ted Turner.

Aiming at Redmond, Washington, the fortress of Mr. Gates's company Microsoft, the media man from Atlanta announced that he planned to give $1 billion — one-third of his wealth — to the United Nations over 10 years. The Gates gift, mostly Microsoft software and equipment, represented about 0.05 percent of his $38 billion fortune. "Skinflint," said Mr. Turner.

He said Mr. Gates and others of the new super-rich were refusing to give money to worthy and needy causes because it might drop them lower on the Forbes list of the wealthiest Americans.

Although I love Mr. Turner's all-American idiot-savant style, he is wrong about Mr. Gates, who is 41 years old, more than 20 years younger than Mr. Turner — and more than 30 years younger than Mr. Nasher. There is a time for reaping and a time for sowing, even if your crop is digits. Mr. Gates is busy reaping, but he will sow in time, if for no other reason than U.S. inheritance law.

Leonard Riggio, the creator of Barnes and Noble's superstores, who is worth $500 million, put it this way: "You either give the money away or give it to the government in income taxes and estate taxes. But I would rather be an activist than a philanthropist."

The generous wealthy are exceptional. Many of their fellows put their energies into avoiding taxation and responsibility to the system and nation that made their great wealth possible and protects it against war, pestilence and the poor.

Mr. Turner, marching to a different drummer, is the most exceptional of all. But he is a great man in that nutty way that made America itself great.

Mr. Turner has a feel for his country. Magazines are beginning to publish lists of givers. One is the "Slate 60" of the biggest givers of 1996, published on the Internet by Slate's owner, Microsoft.

Universal Press Syndicate.

High Time for Human Rights in the Mideast Peace Equation

By Sten Andersson and Thomas Hammarberg

STOCKHOLM — Benjamin Netanyahu's meeting with Yasser Arafat on Wednesday was a welcome gesture, but was it anything more?

Last week Prime Minister Netanyahu "clarified" that the settlements on occupied territory would continue expanding. As long as this position remains, it is unlikely that talks could progress beyond meetings to discuss meetings.

The Israeli government conditions peace talks on security for its population. That seems logical, but concrete actions have almost derailed the Oslo process — and have fostered more insecurity.

Mr. Netanyahu has given the potential terrorist a huge carrot. He has made clear that if a bomb explodes again there will be no talks and further hardship for people in the occupied territories — precisely what the extremists aim for.

The Palestinians have obtained no hearing for their quest for "peace with justice." That certainly is a mistake, if peace is indeed wanted. There can be no lasting conciliation as long as the weaker side is humiliated and collectively punished by the side with power. Peace and human rights are interrelated.

Both of us have a long history of friendship in Israeli society. We have been all more sad to learn of the gradual undermining in Israel of basic human rights principles.

The policy of extrajudicial executions abroad is of course unacceptable even if seen as a means against terrorism. There are other examples.

The ruling by the High Court of Justice late last year to allow brutal interrogation methods, otherwise called torture, was a most disappointing signal. What was required instead was a clear decision to stop the widespread practice of such "moderate physical pressure" as violent shaking and suspending shackled prisoners in painful positions.

The number of Palestinians in "administrative detention" without trial has gone up again and is now 420. They are in addition to 3,500 sentenced and 500 others under arrest.

The occupation policy not only violates international law, it has serious human rights implications. Land confiscation and what now appears as systematic ethnic cleansing in East Jerusalem deprive ordinary Palestinians of their right of residence and livelihood.

House demolitions and repeated closures of Gaza and other Palestinian areas are nothing but collective punishments of innocents.

Brutal riot control methods, with shooting of rubber bullets and live ammunition, continue. Of the 58 people killed during the violent unrest in September last year, 15 were children.

The settlement policy threatens any possibility of peaceful solution of the underlying problems, including the issue of Palestinian refugees. Already there are 5,000 settlers in Gaza, 150,000 in the West Bank and 160,000 to 200,000 in East Jerusalem.

At the same time, the movements of Palestinians are restricted. In the West Bank they live in bantustan-like areas surrounded by Israeli checkpoints.

Palestinian human rights groups have protested against all these injustices. However, they have had reason also to turn against their own administration. They have seen unacceptable abuses committed by the Palestinian police. Horrific torture has been used during interrogation. It is reliably reported that 15 prisoners have died in custody during the last three years.

Pressure on the Palestinian Authority to crack down on terrorists has not contributed to human rights atmosphere. Little distinction has been made between proven culprits and people with just general fundamentalist and anti-Israeli views.

Security courts have been established and summary procedures introduced that fall short of minimum standards for a fair trial. These methods create further bitterness and of course do not rid the area of terrorism.

Clearly, the Palestinian Authority is responsible for this policy. But those who recommended the "tough actions" should also account for their part of this debacle. We hope that the time has come for a rethinking of the one-dimensional approach to security.

The basic idea behind the 1993 Declaration of Principles was to build confidence step by step between the two peoples. This is still sound thinking, but it cannot happen without respect for human rights.

The point is not new. In the Interim Agreement on the West Bank and Gaza signed in Washington two years ago, the two sides agreed to show "due regard to internationally accepted norms and principles of human rights and the rule of law."

Mr. Andersson, a former foreign minister of Sweden, now chairs the Olof Palme International Center. Thomas Hammarberg, a former secretary-general of Amnesty International, advises the Swedish government on humanitarian issues. They contributed this personal comment to the International Herald Tribune.

The Next 'Miracle' Region Could Be South Asia

By John Williamson

WASHINGTON — The Japanese like to compare Asia's economic development to a formation of flying geese, with Japan, whose economic miracle started in the 1950s, at its head.

Japan was followed by Hong Kong, South Korea, Singapore and Taiwan. In the 1970s, Indonesia, Malaysia and Thailand joined the flock. In the 1980s came China.

In recent weeks much of East Asia has been looking much less miraculous. But it would be wrong to downplay the significance of East Asia's long-term achievements, which have revolutionized living standards.

A much more intersting question than just how quickly the markets will settle down in East Asia is whether the 1990s will see some of the countries of South Asia join the flock.

In parts of the world where fast growth spurs a rapid rise in wages, companies start looking for convenient new supplies of cheap labor for labor-intensive operations. There are still large numbers of low-skilled workers in China, Indonesia, Indochina and Burma, but it is likely that South Asia's geographical proximity will start to make its abundant supplies of cheap labor an attractive target for private business.

Since the mid-1980s, South Asia has been the world's second fastest growing region, eclipsed only by East Asia itself.

India has grown at an average of close to 7 percent a year for the last four years. Economists have traditionally bestowed the status of "economic miracle" once a country has grown at more than 6 to 7 percent a year for more than five years, so India is already on the verge of being classified as South Asia's first economic miracle.

Perhaps the most encouraging consideration is South Asia's embrace of policy reforms. India provides a dramatic example.

Faced with a balance of payments crisis in 1981, it responded with much more than just a traditional stabilization program by also implementing a wide-ranging package of measures to liberalize and open up the economy.

Other countries in the region have also been adopting more disciplined economic policies, as well as making greater use of the market, freeing up trade and welcoming foreign investment. Pakistan's new government provides a recent case in point.

The long-standing tensions among the countries of the region, which have in the past precluded economic cooperation, seem finally to be subsiding.

A recent study by the Asian Development Bank and the Harvard Institute for International Development concludes that the major factor explaining why South Asia has lagged so far behind East Asia is the past policy failures of its countries, such as their addiction to import substitution rather than export orientation.

While South Asia still suffers from the world's heaviest trade protection, its differences with East Asia in this regard have been shrinking, thus creating the conditions in which it can reduce the growth gap.

Yet another encouraging portent is South Asia's declining birthrate. The report estimates that the other major reason that the region has lagged behind East Asia is that the latter made the transition to lower birthrates much earlier than South Asia, a change which brought great economic gains.

Lower birthrates eventually result in a larger proportion of the population in the workforce, which boosts national savings and thus finances the high levels of investment necessary for rapid growth. Birthrates are now falling throughout South Asia.

India's growth has been aided by a series of good monsoons and the absorption of slack created during the 1991-1992 recession. It is now running up against infrastructure bottlenecks as a consequence of not having invested enough in transportation and energy in the recent past. Removing this obstacle to continued high growth will take determined action to improve the fiscal situation, so that the government can afford to maintain the existing infrastructure and build new projects, and to open up this sector to private investors.

Infrastructure is only the most immediate of the problems that have resulted from weak policies in the past. Training and educating people ("human development") is perhaps the most fundamental of all the prerequisites for rapid growth. It is an area in which South Asia lags badly behind its more dynamic neighbors to the east. The region's record on primary education is particularly bleak, with an estimated illiteracy rate of 52 percent, the highest in the world.

Child malnutrition is another disaster area in parts of the region, including Bangladesh (where as many as 80 percent of the children are to some degree malnourished), and one with long-term consequences for the future vigor of the workforce.

In the last analysis, whether South Asia is able to eliminate widespread poverty in a couple of generations, as much of East Asia has done, will depend on whether democratic governments are able to keep up the good work of embracing sensible economic policies.

At least we now know much more about which policies deserve to be called sensible, and how they contribute to the no longer miraculous process of nurturing economic miracles, than we used to.

The writer is chief economist for the South Asia region at the World Bank in Washington. He contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Boss Assailed

NEW YORK — The *Journal* makes a terrific onslaught on Tammany boss Mr. Croker who, this paper says, was forced to nominate a decent ticket by the press of the people. "Public indignation," says the *Journal*, "beat upon Croker's head until 'the boss,' brutal, unimaginative and devoid of moral sense though he be, could bear the terrific bombardment no longer. He permitted the nomination of such a ticket as would have been nominated by a city convention if the evil genius of Tammany had stayed in the English poolrooms where he belonged."

1922: Kemal Advances

CONSTANTINOPLE — Kemalist troops are making their appearance in the neutral zone at Ismid. This advance constitutes a flagrant violation of Ismet Pasha's promise to forbid all such movements. Mustapha Kemal is concentrating a large part of his army toward Ismid, from where, if war is declared, it would seem to be his intention to attack Constantinople. One of Kemal's most trusted generals, together with his staff and troops of all arms, is advancing into the district.

1947: Plea for Aid

LONDON — Sir Stafford Cripps, in his new role as Britain's economic boss, appealed today [Oct. 8] for American stop-gap aid before the end of this year. His plea, couched in urgent terms, appeared to represent a worsening in Britain's economic crisis. It was also the first time that a member of the British Cabinet had asked directly for interim help from the United States to tide over the period between now and whenever the Marshall plan goes into operation.

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OPINION/LETTERS

The Heat Is On, but Can Politics Stand It?

By Ellen Goodman

BOSTON — Call it a moment of enlightenment. You can almost envision a cartoon light bulb going on over the White House.

Searching for a down-home example in the midst of the dire graphs and numbers being bandied about and passed around by scientists, the president brought up the subject of the high-tech light bulb at 1600 Pennsylvania Ave. It's a bulb that costs more in the beginning, but lasts longer in the end.

Sometimes, the man of the house told the assembled, he wonders why they haven't installed more. Or for that matter why the public hasn't bought more.

This electric analogy came Monday at the White House conference on climate change.

The weather cooperated beautifully for the event. Washington was in full air-conditioned mode at 90 degrees Fahrenheit while in New England we were hunting for the shorts we had just packed away.

Up and down the East Coast, television weathermen, with their usual joviality, reported it as Indian summer. But by now that benign preindustrial label is challenged in our own minds. What should we call it? Greenhouse summer? Carbon emissions summer?

The good news is that most Americans at last believe in the reality of global warming.

For a long time, doubts were fueled, if you will excuse the expression, by a coal and oil industry campaign to undermine public belief. But the public has learned something from its encounters with the tobacco folks. It is a bit of post-industrial skepticism about industry-financed science and corporate disinfomercials. So most of us have now signed on to the belief honed in the title of Ross Gelbspan's important book "The Heat is On."

But the mixed news from the conference is that the argument has shifted from science to economics. From computer models of climate disaster to models of political disaster. The difficulty of dealing with global warming rests uneasily on one of the toughest questions in American life. Can a country with a short attention span focus on the long run? What do you do when all politics are local and warming is global?

In less than two months, the United States is due to ante up at the international table in Kyoto where the world's communities will try to reach agreement on reducing the amount of greenhouse gas emissions we all pump into the air. The United States, which contributes 20 percent of the world's emissions with 4 percent of the world's population, has yet to decide its policy.

At issue is how quickly to reduce emissions below 1990 levels. If this is an environmentalist's baby step, it is beginning to look like a politician's paralysis. In Washington, where the most important weather pattern is the prevailing wind of public opinion, the uncertainties have delayed decisions.

Some of the uncertainties are economic; this is a venture into unknown territory. While most experts figure that we can conserve energy and even improve the economy, there is no certainty about the costs and benefits of making larger technological changes.

But some of the uncertainties are political, in a venture into a much too familiar terrain. In what is the most important issue of our time, politicians are being asked to make policy at their own high risk. If the policy helps the environment, they won't get credit for weather disasters that didn't happen. If it harms the economy, they will be duly blamed.

In a two-page ad in The Washington Post on the day of the conference, hundreds of energy companies — listed state by state — warned the government not to "rush" into a United Nations agreement. And the same industry that told us that climate change was bunk is now shelling out $13 million in ads to convince the public that, even if it isn't bunk, it will cost us too much to deal with it.

So this is where we stand. The heat is on Washington. The public believes we are changing the climate, but people are not yet sweating it. The president believes that "it would be a grave mistake to bury our heads in the sand," but he isn't willing to take the heat of leadership.

On a day when news about the presidential coffees all but blotted out a conference on climate, our attention is more fickle than the weather. Here is the puzzle: How many weather disasters will it take to finally change a light bulb?

The Boston Globe.

Steam From the Killer Mountain Is Just the Fairies Baking Bread

By Michael Richardson

FAIRY MEADOWS, Pakistan — The track that leads from these alpine summer pastures to the camp where serious climbers base themselves for an assault on Mount Nanga Parbat winds through an aromatic pine forest. After about 20 minutes, the path reaches the edge of a cliff overlooking the Raikot Glacier, then follows the ridgeline upward.

It is a walk to be savored and taken slowly, partly because of the height, about 3,500 meters above sea-level, and partly because there is so much to see. The glacier

MEANWHILE

stretches for about six kilometers like an enormous tongue. At the highest point, it is gleaming white. But as it descends — devouring boulders, rocks, gravel and anything else in its path — it becomes gray and rather ugly.

From the path on the ridge, we could hear the sound of ice cracking in the belly of glacier and rocks falling down its sides. The Shina-speaking farmers who bring their sheep, cattle and goats from the lower valleys to the upland pastures in summer to graze think of the glacier as a sleeping giant with indigestion.

Our guide, Ghulam Nabi Raikoti, who spent boyhood summers with his family in a log cabin at Fairy Meadows, tells terrifying tales of local encounters with yetis disguised as old hags, and happier stories about meetings with fairies in the forest.

"Whom the fairies love, is well protected. That's what many people here believe," he said.

The forests do seem enchanted. The pines, firs and junipers give way at higher altitudes to stands of silver birch, their leaves starting to display an autumnal tapestry of yellow, gold and russet. Streams of crystal water tumble over mossy rocks, filling the woods with bell-like sound.

The mountains above the forests have a harsh, haunting beauty. Nanga Parbat is the ninth tallest peak in the world and the westernmost bastion of the Himalayan chain. It rises in a series of ridges to an ice crest 8,125 meters high. Even on a clear summer's day, with its massive shoulders draped in perennial snow, it could (with only a little imagination) be the brooding, headless torso of an outlandish giant. No other peak within 100 kilometers comes anywhere near its size.

Nanga Parbat means Naked Mountain. Its southern face is so steep that it is bare of vegetation. This southern wall, with the disputed territory of Kashmir at its foot, is one of the greatest precipices in the world — a drop of 5,000 meters, or three miles.

To the east and west, the mountain is bounded by the deep narrow gorges of the Astor and Bunar valleys. Only on its northern side, facing the Indus River valley, does Nanga Parbat slope steeply rather than plunge.

Nanga Parbat was first climbed by a German-Austrian expedition in 1953. It has killed more climbers — at least 80 so far — than any other mountain. Locals call it the "mountain with a hundred faces" because its mood can change so quickly.

When we arrived at Fairy Meadows, parts of Nanga Parbat were visible through the mist. The next morning it was clear, the mountain gleaming woodrously in the sunlight as we emerged from our tents.

Local legend has it that when steam rises as the summer sun melts the snow on Nanga Parbat's peaks, it shows when the fairies are cooking their bread. More alarmingly, says Isobel Shaw, who has written several travel and trekking guides to Pakistan, the mountain is also believed to be the home of demons, giant frogs and snow snakes 30 meters long.

Over dinner of mutton curry, vegetables and unleavened bread, Mr. Nabi told us another haunting story.

"About 50 years ago, a young German couple who were engaged to be married came to Fairy Meadows," he said. "While walking one day on the Raikot Glacier, the man fell into a deep crevasse and couldn't be rescued."

Each summer, for the next seven years, the young woman returned in a futile attempt to try to recover her fiancé's body, virtually devoting her whole life to the quest since it took months in those days to reach Pakistan from Germany and then travel overland by horse and foot to the northern slopes of Nanga Parbat.

Mr. Nabi's eyes, above his military mustache, were the color of pale green tourmaline

The guide told stories of lost love and yetis in disguise.

as he told the story by the light of a pressure lamp. Whether it was fact or fable, I could not tell and he did not say. But at the time and in that place, we listened spellbound.

"After the seventh year of searching, the young German woman gave up and did not return," he said. "She only came back 17 years later, when she looked much older and was still unmarried." With the aid of some porters, the woman went up to the glacier again to try to find the body.

"After several days, she found a hand and shirtsleeve emerging from the ice," Mr. Nabi said. "It turned out to be the frozen corpse of her fiancé, perfectly preserved and just as handsome as she remembered him."

Looking for some tokens of affection, she found a wallet in his jacket. It contained a letter to another woman, telling her that she was the man's true love and that he had only become engaged to someone richer for the money.

"The dead man's fiancé flew into a rage and threw his body into the nearest crevasse," Mr. Nabi said. "That was just the first sign of her madness."

International Herald Tribune.

The Chairman Knows Clinton Better Than That

By Maureen Dowd

WASHINGTON — Everyone, even the Senate majority leader, Trent Lott, thinks Fred Thompson has mangled his campaign finance hearings.

But the senator from Tennessee was understandably inspired by the discovery of the tapes of White House coffees, tapes that cry out for some "What's Up, Tiger Lily?" subtitles to go with the pictures of Bill Clinton shaking hands with an Indonesian landscaper who says "James Riady sent me," and of the former Democratic Party chief Donald Fowler fending off a man trying to give him five checks by muttering about attorneys and getting the money later.

Anyhow, Mr. Thompson had a new élan on Tuesday, showing the arousing footage and making a speech so stirring it could have come from "Absolute Power," Clint Eastwood's Washington conspiracy thriller.

He said it was unfair to beat up on Al Gore and Janet Reno. He said the "missing player" should come forward. "Mr. President," the Republican chairman said in his plangent baritone, "much of this money that was raised, illegal money, was for your campaign and for your re-election. This is your White House ... Now I think the American people expect you to step up to the plate and take responsibility, because surely nobody wants this to go down looking like a successful cover-up of much more serious activities."

There was only one problem with this sermon. It was addressed to Bill Clinton.

Does it make sense to ask the man who has won two presidential terms precisely because he is an artful dodger, the man whose motto is "The Buck Stops There" — does Mr. Thompson truly expect this man to step up to the plate? Has the Clinton White House ever forthrightly complied with document requests?

Surely Mr. Thompson has not forgotten the case of the levitating Rose law firm billing documents and the peripatetic FBI files on top officials of the Bush administration? Surely he has noticed that just about everyone who is supposed to testify about the Clintons' financial waywardness either loses his memory, destroys documents or flees the country?

Lanny Davis, the president's special assistant for obstruction, bounced around outside the hearing room trying to top his explanation of why Attorney General Janet Reno got hung out to dry, why no one at the White House told her about the 44 tapes of coffees before she issued her exculpatory report on the coffees on Friday. They couldn't reach anyone at the Justice Department on Friday because it was Rosh Hashanah.

He offered a more ludicrous explanation of why the White House couldn't find the videos, taped by the in-house archival film crew, for nine months after the committee requested them: They were typing the wrong key words into the computer. One reporter wondered if they had forgotten "coffee" had two e's.

"We were using proper nouns, not nouns," Mr. Davis said, justifying the improper.

All the computer searches seem beside the point since the president and other officials saw the crew filming.

"It's up to you to declare us incompetent," Mr. Davis said. "Just don't declare us venal." Of course, nothing serves venality as well as incompetence.

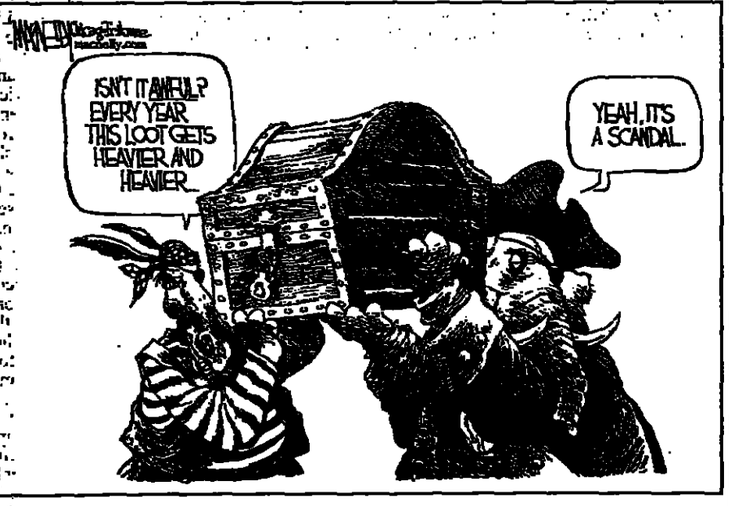
It was left to Harold Ickes to make the everybody-else-did-it argument. As the president's point man in 1996, he said, he modeled his office on the one established in the Reagan and Bush years by James Baker. But Mr. Ickes was being modest. Even the most devious Republican, the late Lee Atwater, would be awed by their arrogance, by the scale of illegal millions harvested and by their breathtaking tackiness in selling the Lincoln Bedroom, the Oval Office and Air Force One.

The senators were getting into a frenzy of outrage at being subverted by the White House even as Mr. Lott was over on the floor smothering campaign finance reform.

Mr. Ickes had their hypocritical number when he dryly noted: "I respectfully suggest that your complaint is with the law, not with us. We played by the rules."

So that's it: The law made them do it.

The New York Times.



LETTERS TO THE EDITOR

NATO Enlargement, Too

As a retired U.S. Foreign Service officer, I would not quarrel with my former colleague Richard N. Haass's choice of major issues for foreign policy concentration (*"What Makes a Legend? Some Foreign Policy Tips," Opinion, Sept. 26*) so long as such concentration does not translate into neglect of other crucially important issues.

Most glaringly, Mr. Haass is way off track in stating that "making NATO bigger is not all that important." The truth underlying the sometimes reasoned, sometimes impassioned debate on that very matter, in these pages and elsewhere, is that the future size and shape of the North Atlantic Treaty Organization is of utmost importance to the United States, other members and the potential allies.

The alliance has always been as much a political entity as a military one, certainly since détente joined deterrence and defense as its third strategic pillar 30 years ago. Political cohesion played every bit as strong a role in bringing the Cold War to an end as did military integration or the threat of nuclear retaliation in the event of armed attack by numerically superior conventional forces. The decision to enlarge was sound on strategic, political and moral — yes, moral — grounds, and the prospect of tough going in the U.S. Senate is no reason to turn to other, less controversial issues.

Claims that Asia and the Pacific will dominate international affairs in the years and decades ahead have become commmonplace. I'll wager that Europe, NATO and trans-Atlantic relations in general will continue to occupy primary places in U.S. policy and to require maximum attention in Washington, well into the 21st century and beyond.

ALAN BERLIND.
Couleuvre, France.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

A Trader Who Does Good

The recent attacks on George Soros, most notably by the Malaysian prime minister, Mahathir bin Mohamad, are patent nonsense. Most vile is the attempt to portray Mr. Soros as a reverse Robin Hood, preying on the poor in developing nations to enrich himself.

While working in Russia last year, I spent some time in Cheboksary, some 700 kilometers east of Moscow, a town devastated by industrial closures and massive unemployment. As a native speaker of English, I participated in a weeklong retraining course for teachers that was sponsored by Mr. Soros.

Teachers from all over the republic packed the classrooms. Their enthusiasm was remarkable and moving. This very modest investment provided an enormous boost to the teachers' confidence and morale and sent them back reinvigorated to share their knowledge with their students.

I wonder how many of the people criticizing Mr. Soros, many of whom enriched themselves during the boom days in Southeast Asia, have used any of their fortunes to help the poor. I hope Mr. Soros continues to profit handsomely from his trading activities. I am sure that others will benefit as a result.

DEREK PROCTOR.
Bangkok.

Campaign Finance

Erica Niedowski (*"'Who's Calling the Kettle Black?" Opinion, Sept. 25*) astutely points out that the abuses of the U.S. campaign-finance system do not recognize party lines. Her call to examine the transgressions of both the executive and legislative branches is urgent. Voter apathy and cynicism are a direct result of the idea that votes and ideologies don't count as much as money.

Let elected officials run the country without the worry of campaign financing. Let television and radio networks be required to give public air time to candidates. A few well-timed debates among candidates will serve the voters much better than millions of dollars spent on "war chests."

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Berlin.

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NAIROBI
VICTORIA FALLS

*FORUM HOTEL

هكذا من الأصل

A U.S. Push for Chinese Military 'Transparency'

Q&A / William Cohen

Defense Secretary William Cohen, visiting Europe for consultations, spoke with Joseph Fitchett of the International Herald Tribune about how NATO enlargement will expand European security. He also addressed U.S. hopes for helping stability in Asia through recent changes in military ties with Japan and continued military contacts with China.

Q. How has the leadership change in Beijing affected China's military?

A. The military still remains the core of power in China, and the source of control for the country, but I don't know exactly what the new leaders' position will be vis-à-vis the military. I will be going there next month as part of our administration's continuing policy of strong military-to-military contacts. It fits what I've been saying in my contacts with Chinese for the last four or five years that more transparency in their military programs can solidify relations and avoid tensions.

Q. In military terms, how big a power is China really?

A. It's big and populous, but its technology is not comparable with the West's. The Chinese are determined to modernize the military, but the Pentagon does not see a "peer competitor" for U.S. power until 2010 or 2015, at the earliest. Regionally, the Chinese armed forces are obviously trying to build up their power projection capability, but it will take them some years to integrate the technologies in any comprehensive military fashion.

•

Q. Is China a nuclear proliferator?

A. We've expressed concern that there has been export of technology coming out of China to the Middle East — to Iran, in particular. A message I've conveyed is that China will soon become a net oil importer and more dependent on supplies from the Middle East, so anything which contributes to the potential for devastating warfare in that region has a negative impact on Chinese interests.

Q. How did Beijing react to the new U.S.-Japan defense guidelines?

A. Japan remains a key ally, but we're conscious that stability in the region depends on the sum of our relations with Japan, with China and with the ASEAN countries. We've worked hard to ensure that the guideline agreement is as transparent as possible so that Chinese leaders can see it is not directed at them. I think they have been relatively calm so far. The Chinese are mainly concerned about whether it commits the Japanese in any way to assist in a conflict with Taiwan.

Q. Does it?

A. The guidelines are not defined in any way geographically. It deals with our bilateral relations and specifically with help that Japan might be able to give while fully respecting its constitution — for example, peacekeeping missions, demining efforts in their own waters or support activities for the United States, principally in the Korean Peninsula if the contingency ever arose.

Q. Going back to Iran, how serious is the threat?

A. Tehran used chemical weapons in the Iran-Iraq War and is trying to develop more sophisticated ones, along with biological and possibly nuclear warheads. On missiles, they would threaten Gulf countries — where our forces might be stationed — including Saudi Arabia, Kuwait, United Arab Emirates, Bahrain, Oman. Iran is seeking to become a regional sea power, acquiring Russian submarines, fast surface combatants, longer-range anti-ship cruise missiles.

Q. France and other European allies seem hopeful that Iranian policy may moderate under the new leader?

A. There's certainly a lot of interest in seeing a more moderate face and perhaps even more moderate policies. President Clinton says that he's "hopeful but skeptical."

•

Q. NATO enlargement, you regularly say, will cost money. What exactly do new allies need to buy?

A. Mainly what it takes to make their armed forces inter-operable with NATO units: command and control, communications and intelligence systems. Their forces need retraining and restructuring. There are not a lot of big-ticket items such as supersonic aircraft.

Q. So "inter-operability" does not mean "buy American warplanes?"

A. Exactly. It does not. At least not in the reasonably foreseeable future. And these countries are probably going to spend less than they would otherwise. Without NATO integration, they might get drawn into a regional arms race, with one buying U.S. warplanes, its neighbor buying another country's fighters. Part of the greater stability that comes with NATO enlargement should be greater sharing of defense expenditures. We want budgets to be calibrated to avoid unnecessary redundancies, taking into account countries' economic abilities and their burdens as NATO members.

Wilfredo Lee/The Associated Press

The U.S. defense secretary hopes to "solidify relations" with China.

3 Israel Troops Die in Attacks By Hezbollah

The Associated Press

MARKABA, Lebanon — Guerrillas detonated roadside bombs near Israeli patrols on Wednesday along the border in southern Lebanon, killing three soldiers and wounding 10 others, Lebanese security officials said.

Two other people — an Israeli-allied militiaman and a civilian — were also wounded in guerrilla rocket fire that followed the first roadside bombing.

The Iranian-backed Hezbollah took responsibility for the attacks. There was no immediate comment from Israel.

The first bombing hit an Israeli convoy in the village of Markaba, about 450 meters (1,500 feet) from the Israeli border, the security officials said. Two soldiers were wounded, one seriously, in the explosion.

Less than an hour later, another roadside bomb blew up near an Israeli unit several hundred meters from the first attack, killing three soldiers and injuring eight, the officials said.

Security officials said Israeli troops and South Lebanon Army militiamen retaliated with artillery fire, targeting Hezbollah strongholds facing the Israeli-occupied enclave in southern Lebanon.

The Hezbollah guerrillas fired barrages of rockets at the site of the roadside bombing, causing panic among motorists. Officials said at least 20 guerrilla rockets hit the area, wounding a Lebanese woman and a militiaman from the Israeli-allied South Lebanon Army.

Hezbollah is fighting to dislodge the 1,500 Israeli soldiers and 2,500 of their South Lebanon Army allies from the occupied enclave.

Hong Kong's Leader Looks Ahead

Cheering 100 Days of Chinese Rule, Tung Maps Out a Future

By Keith Richburg
Washington Post Service

HONG KONG — After 100 days in office, the first postcolonial leader of Hong Kong laid out his vision Wednesday of a city that will become a high-tech service center closely linked with southern China, where education and housing will improve and the elderly will get more care, but where full democracy must wait another decade.

Chief Executive Tung Chee-hwa's first policy address to the local legislature was largely bereft of any discussion of politics or civil liberties, focusing instead on the more mundane social issues that might occupy any big city mayor.

But by emphasizing common concerns, Mr. Tung may have touched a chord with average Hong Kong residents, who, three months after the historic transition from 156 years of British rule, seem largely content that the handover has gone surprisingly smoothly and have returned to more ordinary preoccupations.

"Before, I thought there would be some changes," said Lo Hoi, who runs a newsstand that stocks 1,000 foreign titles as well as flags, postcards and souvenirs of old colonial Hong Kong. "I thought there would be some restrictions in life. I thought there would be more rules and regulations, like restricting the sale of flags." But, he said, "nothing has changed."

"I'm very happy," he added, "everything is just the same."

Mr. Tung's two-hour speech was dramatic mainly for the huge change it symbolized.

He is the first ethnic Chinese to run this predominantly Chinese city that for a century and a half was the preserve of British governors. Mr. Tung delivered his address in Cantonese, without the sarcastic asides and literary quotes favored by his predecessor, Chris Patten. And he spoke in a legislative chambers adorned not with the British royal crest, but with the bauhinia flower emblem of the new "Special Administrative Region," as Hong Kong is now known.

"We, the people of Hong Kong, have begun to write our own history," Mr. Tung said. "Hong Kong has finally broken free of the psychological constraints brought about by the colonial era."

There were no members of the pro-democracy Democratic Party in the chambers to hear the speech — they were consigned to the outside, where they led a small protest. Mr. Tung delivered his address, which was broadcast live on television and radio, to 60 lawmakers who had been hand-picked by Beijing — after China announced that it would scrap the legislature chosen in a free election set up by Britain.

Mr. Tung devoted only about two minutes to politics. He promised that elections for a new legislature would take place as planned on May 24, but Hong Kongers would have to wait 10 years, until 2007, for fuller democracy.

"There are many details that need to be worked out," he said. "We will be working out these details in accordance with the principles of democracy and openness."

He added that his "long-term objective" was to have the chief executive and the legislature "elected by universal suffrage." But he gave no hint when that might be, suggesting that democratic elections might come well after 2007.

Mr. Tung also offered reassuring words for those who feared that the territory's traditionally free press would fall under the type of restrictions and censorship common on the Communist mainland. "There was some concern that the freedom of the press would be curtailed on establishment of the Special Administrative Region," he said. "I can assure everyone that this government will remain an open government, respecting the freedom of the press and of the media."

The bulk of the two hour speech was devoted to social issues, particularly education, housing and care for the elderly.

He promised $1 billion worth of new initiatives, including a fund to encourage innovation and competition in primary schools and high schools; an upgrading of teacher training; the recruitment of 700 native English-speaking teachers to improve students' English, and more emphasis on using the Chinese language in schools. He pledged to undertake a wide-ranging review of all aspects of the education system at all levels.

Mr. Tung also vowed to increase monthly welfare payments to the elderly, build at least 85,000 new apartment units each year and increase the territory's home ownership rate to 70 percent over the next decade.

He also said Hong Kong's economic development was tied to establishing more links with the prosperous provinces of southern China, particularly neighboring Guangdong, and said a new "high level framework" would be set up to study ways to cooperate across the border on everything from environmental concerns to infrastructure to water supply.

Opinion polls indicate that Mr. Tung now enjoys an approval rating of more than 65 percent. That makes him at least as popular as his predecessor, Mr. Patten, who had widespread support for his advocacy of democracy but was also vilified in some circles for putting Hong Kong on a collision course with Beijing.

Michael DeGolyer, a political scientist at Hong Kong Baptist University who is studying popular attitudes toward the transition, said Mr. Tung is popular because he has made the right promises in such areas as housing and education.

"He's talking about all the right things," Mr. DeGolyer said. "He's popular because of what has not happened. Hong Kong hasn't collapsed, the currency hasn't collapsed, the stock market hasn't collapsed, the population hasn't run away. There's nothing like relief over the worst not occurring."

Larry Clow/Reuters

Tung Chee-hwa joking with reporters after his speech to the legislature, in which he focused on social issues that might occupy any big city mayor.

MIDEAST: *A Surprise Meeting*

Continued from Page 1

start accelerated negotiations on a final peace settlement.

This was evidently what Mr. Ross meant in his reference to the "level of principles."

Officials on both sides cautioned against expecting a major breakthrough, and treated the meeting as a resumption of dialogue at the top.

The search for a new formula is likely to continue now with more meetings of top negotiators, including discussions expected later this month in Washington.

■ A Shift of Attention

The Netanyahu-Arafat meeting took the spotlight off an embarrassing Israeli attempt to kill a Hamas leader and the return to Gaza of the Hamas founder, Sheikh Yassin, Reuters reported from Jerusalem.

The triumphant return of Sheikh Yassin, the revered figurehead of Mr. Arafat's most potent domestic opposition and a symbol for Israelis of Islamist extremism, has put pressure on both the Palestinian leader and Mr. Netanyahu.

An adviser to Mr. Arafat, Nabil Abu Rdainah, said Israel had recommitted itself to implementing interim peace deals. The talks, he said, lent new momentum to the peace process.

"It was an important step forward but we will have to wait and see for the results on the ground," he added.

Substantive peace talks have been deadlocked since March when Israel broke ground on a Jewish settlement in Arab East Jerusalem, seen by Palestinians as capital of a future state.

The crisis in the peace effort deepened over the months with the killing of 24 Israelis in three suicide attacks by members of Hamas, which has opposed PLO peace deals with Israel and the existence of the Jewish state.

Mr. Abu Rdainah, the Arafat adviser, said Foreign Minister David Levy of Israel and a senior PLO official, Mahmoud Abbas (Abu Mazen), would meet in the last week of October after the Jewish holidays.

"Another summit meeting will take place if there is a need for it," he added.

The meeting capped two stormy weeks that began when Israel slipped two agents into Jordan to murder the Hamas political chief, Khaled Meshal. They were arrested after bungling an attempt to poison him.

Mr. Netanyahu persuaded Jordan to let the two agents go by agreeing to free Sheikh Yassin from a life sentence for ordering attacks against Israelis, and also to free up to 70 other Arabs.

Critics have attacked Mr. Netanyahu for poor judgment in sending agents to Jordan, Israel's friendliest Arab ally.

King Hussein said Wednesday that he told Israel two days before the incident that the militant Islamic movement was ready to discuss halting its attacks.

Yevgeni Khaldei Dies at 80; Photographer Depicted Soviets

The Associated Press

MOSCOW — Yevgeni Khaldei, a veteran photographer whose pictures of Soviet soldiers hoisting the red flag over the Reichstag in Berlin are among the best-known images of World War II, died here Monday. He was 80.

Mr. Khaldei had long been ill. The Kommersant daily did not specify the cause of death in its report Wednesday.

Mr. Khaldei began his career in 1935 as a reporter for the Soviet press agency Tass. He became well-known as a photographer and took his most famous pictures at the end of World War II in Europe, when Soviet forces entered Berlin.

When Stalin ordered an anti-Semitic campaign in the late 1940s, Mr. Khaldei, a Jew, was dismissed from Tass but continued to work for various Soviet newspapers.

Agence France-Presse

Soviet soldiers raising their flag after capturing the Reichstag in Berlin in the famous 1945 photograph taken by Yevgeni Khaldei for Tass.

Fiat Unos Checked In Diana Accident

Agence France-Presse

PARIS — Policemen investigating the crash that killed Diana, Princess of Wales, are checking a list of 112,000 Fiat Unos, the make of car that may have collided with Diana's limousine just before the accident, sources close to the investigation said Wednesday.

The list includes every Fiat Uno registered in the Ile-de-France region around Paris from 1983 to 1994, the entire period when the Italian car was manufactured.

Analysis of evidence found at the scene of the Aug. 31 crash in a Paris underpass has suggested the involvement of a Fiat Uno, believed to be white, just before Diana's Mercedes slammed into a concrete pillar at high speed.

In particular, they have found traces of paint on the front right wing of the Mercedes, as well as on the right wing mirror, which was found 30 meters (108 feet) away from the wreck of the limousine, after having apparently been torn off.

Policemen also found fragments of a tail light some distance ahead of the crash scene, which were also found to have come from a Fiat. Witnesses said a vehicle may have got in the way of the Mercedes.

Dr. Hadassah Rosensaft, 85, Provided Auschwitz Testimony

NEW YORK (AP) — Dr. Hadassah Rosensaft, 85, a Holocaust survivor who saved hundreds of Jewish inmates at Auschwitz and later provided important testimony against the death camp's commandants, died Friday.

Dr. Rosensaft, who lived in New York, died in Tisch Hospital at the New York University Medical Center, her son, Menachem, said. She had suffered liver failure caused by malaria and hepatitis she contracted at Auschwitz, he said.

Born in southern Poland, Dr. Rosensaft became a dentist in 1935. Eight years later, along with her parents, her husband and their 5-year-old son, she was sent to Auschwitz. Her family members soon were killed in the camp's gas chambers, and Dr. Rosensaft was assigned to work in the Auschwitz infirmary.

Arthur Tracy, 98, 'Street Singer' Who Was Radio-Era Music Star

NEW YORK (NYT) — Arthur Tracy, the celebrated "Street Singer" on radio and recordings in the 1930s and 40s, died Sunday. He was 98 and lived in Manhattan.

With his richly romantic voice, Mr. Tracy was a musical star for decades, singing his theme song, "Marta, Rambling Rose of the Wildwood," as well as such ballads as "When I Grow Too Old to Dream," "I'll See You Again," "Red Sails in the Sunset" and "Danny Boy."

He had a comeback in the early 1980s when his 1937 recording of "Pennies From Heaven" was heard on the sound track of Herbert Ross's movie of that name. The movie starred Steve Martin; Mr. Tracy's voice was lip-synched by Vernal Bagneris.

Bishop Samuel Habib, 69, head of the Protestant community in Egypt and an advocate of Middle East peace, died of a heart attack Tuesday while visiting California. *(AP)*

Group Captain Desmond James Scott, 79, New Zealand's most decorated World War II fighter pilot, died Wednesday in Christchurch. *(AP)*

VICHY: *Papon Goes on Trial in Bordeaux for Crimes Against Humanity During Nazi Occupation of France*

Continued from Page 1

French Army in 1940. Mr. Papon has charged his accusers with wanting to put him on trial for the sins of the entire regime.

"Half a century after the Nazi barbarity, those in power want a guilty verdict whatever the cost, to illustrate and confirm the official statements they have offered on 'guilty France,'" said a statement issued in his name Tuesday by his lawyer, Jean-Marc Varaut.

Mr. Papon said little as prosecutors and lawyers argued with his three ermine and red-robed judges about whether he, who with support from Resistance leaders became the top police official in Paris in the 1950s and 1960s and budget minister under former President Valery Giscard d'Estaing, should have to spend his three-month trial in custody.

He spent Tuesday night in Gradignan Prison outside Bordeaux, and was curt in his replies to Presiding Judge Jean-Louis Castagnede's routine questions as he was arraigned. "Papon, Maurice, 87, retired," he grunted.

Most people tried for felonies are kept in jail to assure their presence during trial. But Mr. Papon's lawyer, Jean-Marc Varaut, said that Mr. Papon, who underwent triple heart bypass surgery last year, was being held in surroundings that exposed him to the risk of more heart trouble.

He was greeted on arrival in the prison, his lawyer said, with calls of "death!" from inmates who no doubt remembered his past as a Paris police official not known for tender mercies with criminals.

"Having all my life served the law, I am not going to start betraying it at my age," Mr. Papon told the three judges, two men and a woman, who decided Wednesday to ask a cardiologist and a doctor familiar with legal issues to report by Thursday whether further incarceration would pose a danger to his life. The judges also oversaw the selection by lot of nine lay jurors, five men and four women, most of them under 35, who in French practice sit and deliberate with the judges, not independently.

Nine other alternate jurors were also selected.

The Greco-Roman yellow limestone courthouse in Bordeaux, a city better known for wines than for an unglorious past during the occupation, was too small for the hundreds of lawyers, civil parties — Mr. Papon's alleged victims and relatives of victims — and journalists who converged on it.

So only about half those present could actually sit in the courtroom. The others watched and listened to the proceedings in another large room on a computer-driven video that kept turning off both sound and pictures.

The trial has acquired symbolic value in France as probably the last time for the younger generation to understand and come to terms with what its predecessors did at a dark time.

It was only two years ago when President Jacques Chirac first acknowledged the responsibility of the French nation for the crimes committed by the Vichy regime, which his predecessors had always argued was illegitimate and therefore no stain on the postwar Fourth and Fifth republics.

Last month, the French Catholic Church asked God and the Jewish people for forgiveness for the silence of most of its bishops on the regime's anti-Semitic measures, and on Tuesday, France's biggest police union similarly asked the "Hebrew people" to forgive the French police.

The only other Vichy figure to have been tried for crimes against humanity was Paul Touvier, chief in Lyon of the Militia, a thuggish organization modeled on the Nazi SS that operated throughout France during much of the German occupation.

U.S. Tightens Border

Washington Post Service

WASHINGTON — The government is pouring reinforcements into sectors of the southwestern border that have reported sharp increases in illegal immigrant traffic from Mexico because of crackdowns in more populous areas.

The effort to plug holes in the 2,000-mile border expands initiatives that began in 1993 and responds to a congressional mandate to tighten control of the border.

The Immigration and Naturalization Service announced Tuesday that it was extending "Operation Gatekeeper" eastward into California's Imperial Valley from the area south of San Diego. The agency said the move was "aimed at crippling the major alien-smuggling rings which have moved their operations to the El Centro area in response to increased enforcement pressure in San Diego."

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Learn more about PhotoPoint™ and Miravant (Nasdaq: MRVT) at www.miravant.com, or call us at 805-685-9880. The company's products require regulatory approval before marketing.

Cairo Editors Find Way to Elude 'Noncensorship'

By John Lancaster
Washington Post Service

CAIRO — After running afoul of Egypt's powerful interior minister recently, *Al Shaab, the Cairo daily,* was barred from publishing for two weeks.

But the editors found a creative way around the ban — they arranged to publish on the inside pages of a sympathetic rival.

Such brazen disregard for authority is typical of the paper, an outspoken opposition weekly whose sensational, if not always reliable, accounts of low doings in high places have proved as popular with readers as they are infuriating to the government.

More broadly, the episode sheds light on the curious state of press freedom in a country torn between the authoritarian instincts of its rulers and growing public pressure for accountable, representative government.

As elsewhere in the Arab world, the military-backed government of President Hosni Mubarak often has tried to silence or intimidate internal critics, especially those — like the journalists at Al Shaab — who take on senior officials and relatives.

"Our main problem is that we crossed this red line," said the editor, Magdi Hussein, 46, who will be tried this month on criminal charges stemming from a libel case brought by Interior Minister Hassan Alfi.

"It is an unwritten law that the opposition cannot speak about corruption in the very highest ranks," he said.

Perhaps more surprising, however, is that newspapers like Al Shaab can publish at all. For all the constraints on press freedom in Egypt, journalists here enjoy considerably more latitude than those in many Arab countries.

Especially striking is the proliferation of stories on the pervasive official corruption that is linked in the minds of many Egyptians to free-market economic reforms initiated in the early 1990s.

'There is no censorship. If there is something we don't approve of, we say to the people: 'Don't write it again.' Like what we do with your newspaper.'

The result is a kind of standoff, with Egyptian journalists constantly probing to find the limits of press freedom and, not infrequently, provoking a backlash from government officials.

Lately, the forces of censorship have appeared to gain the upper hand.

In the last six weeks, authorities have sentenced a journalist to six months in jail for what they contend was a libelous newspaper exposé on business dealings of President Mubarak's two sons.

They expelled Thomas Cromwell, publisher of The Middle East Times, an English-language weekly owned by The Washington Times that has been sharply critical of the government's human rights record.

And they banned an issue of Al Hayat, a London-based Arabic daily, for an article on a sensitive border dispute between Egypt and Sudan.

Last month, the Interior Ministry barred local and foreign media from reporting any details of its investigation into the massacre Sept. 18 of nine German tourists by Islamic militants in central Cairo. "Any violation of this decree will be punished according to law," the government warned.

The Egyptian Constitution guarantees freedom of expression, and President Mubarak told Egyptian newspaper editors two weeks ago that he was unequivocally opposed to censorship.

When asked to explain such contradictions, officials tend to do so in terms that border on the surreal.

In August, for example, The Middle East Times published a transcript of its interview with Lutfi Khader, who heads the office responsible for reviewing foreign print media, and has repeatedly barred the newspaper from publishing what he considers sensitive material.

"There is no censorship," Mr. Khader insisted. "If there is something we don't approve of, we say to the people: 'Don't write it again.' Like what we do with your newspaper."

Any criticism of the president or his immediate family is off limits. Last year, for example, Mr. Mubarak signed a restrictive new press law setting harsh criminal penalties for, among other things, articles that "show contempt for state institutions or officials."

After protests from the journalists' union, he rescinded the provisions of the law considered most onerous but left in place *criminal penalties for insulting the president,* his family and foreign heads of state.

The provision has been widely interpreted among Egyptian journalists as a direct response to rumors of shady business practices — denied by the government — on the part of Mr. Mubarak's two sons, Gamal and Alaa.

Few journalists have had as much experience with the new press law as Mr. Hussein, the editor of Al Shaab. The weekly paper is the mouthpiece of the opposition Labor Party and is close to the outlawed Muslim Brotherhood, the fundamentalist group that is the country's largest political opposition movement.

Al Shaab makes no secret of its biases. It *is anti-government and virulently anti-Israel.* But it also prides itself on muckraking journalism, much of it directed at senior government ministers.

Agence France-Presse

UNDER SPHINX'S GAZE — Drivers of a Citroen "Deux Chevaux" Wednesday in the Pharaohs Rally.

Are the
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TONIGHT AND EVERY NIGHT
ON THE TONIGHT SHOW WITH JAY LENO
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WHERE THE STARS COME OUT AT NIGHT

UN Inquiry in U.S. Stirs Helms' Anger

By John M. Goshko
Washington Post Service

UNITED NATIONS, New York — A mission by a United Nations human-rights expert to investigate capital punishment practices in the United States by interviewing death-row inmates has been denounced by the chairman of the Senate Foreign Relations Committee as an "intentional insult" to the country and its legal system.

Senator Jesse Helms aimed his anger at a visit by Bacre Waly Ndiaye of Senegal, a UN Human Rights Commission special investigator on extrajudicial, summary and arbitrary executions.

In a letter sent Monday to Bill Richardson, the chief U.S. delegate to the United Nations, the North Carolina Republican called Mr. Ndiaye's mission "an absurd UN charade" and "a perfect example of why the United Nations is looked upon with such disdain by the American people."

Mr. Helms cited a report by Mr. Ndiaye last year in which the investigator asserted that some U.S. death sentences result from proceedings "which fall short of international guarantees for a fair trial."

"Bill, is this man confusing the United States with some other country or is this an intentional insult to the United States and to our nation's legal system?" Mr. Helms wrote. "It is clear that Mr. Ndiaye's strange 'investigation' is intended to be merely a platform *for more outrageous accusations* from U.S. critics at the United Nations."

Officials at the U.S. Mission here said they could not comment until the letter had been studied more closely.

Mr. Ndiaye, whose U.S. trip began Sept. 21 and was to end Wednesday, was in California.

"I am very surprised that a country that is usually so open and has been helpful to me on other missions, such as my attempts to investigate human rights abuses in the Congo, should consider my visit an insult," Mr. Ndiaye said.

Mr. Helms's anger carries special weight because his position as Foreign Relations Committee chairman puts him at the center of efforts by Mr. Richardson and the administration to persuade Congress to pay the U.S. debt to the United Nations.

Mr. Helms is an author of legislation that would pay about $819 million of the $1.5 billion U.S. arrears. But the bill requires that the world body agree to widespread reforms to counter what he characterized as "a veritable mountain of examples of waste, fraud and abuse at the United Nations."

The senator called on Mr. Richardson to explain whether the administration shares the view that improper executions occur "in the context of the U.S. judicial system."

He also demanded to know which American official had invited Mr. Ndiaye, whether his trip was supported by Mr. Richardson's office, how much money the investigation would cost the United States and what other countries Mr. Ndiaye is investigating.

Mr. Ndiaye is a lawyer and a former senior official with Amnesty International.

Clinton Envoy Will Try To End Congo Impasse

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — The Clinton administration plans to send a special envoy to Congo, the former Zaire, to discuss a stalled international investigation into allegations that Rwandan refugees were massacred in the eastern part of the country during the last year, American officials said Tuesday night.

The leading candidate is Andrew Young, who was the U.S. representative at the United Nations from 1977 to 1979 during the Carter administration, the officials said.

For more than four months the United Nations has been trying to investigate reports that troops loyal to President Laurent Kabila attacked and killed Hutu refugees from Rwanda as the Kabila forces consolidated control over the eastern part of the country, beginning late last year.

Twice the Kabila government, which took power in Kinshasa in May, has forced the United Nations to recall investigating teams, most recently last week.

The standoff is embarrassing to Secretary-General Kofi Annan, who agreed to replace the first team of investigators only on the assumption that Mr. Kabila would not obstruct a second team chosen in consultation with Congolese officials.

The second team was back in New York on Tuesday after five weeks of being confined to Kinshasa, unable to carry out its work.

The suggestion to send an American to Congo to try and break the impasse between Mr. Kabila and Mr. Annan came from Bill Richardson, the U.S. representative at the United Nations, U.S. officials said. Mr. Richardson has traveled to the Congo and met Mr. Kabila as a representative of President Bill Clinton.

In addition to the appointment of the special envoy, the White House is planning to appoint the Reverend Jesse Jackson as a roving ambassador in Africa, officials said.

In the past, Mr. Jackson has made troubleshooting foreign trips on his own initiative, some of them to countries with which Washington was at odds.

In 1990, Mr. Jackson traveled to Baghdad and negotiated with Saddam Hussein for the release of 47 Americans taken hostage during and after the Iraqi invasion of Kuwait.

After he left office as mayor of Atlanta from 1982 to 1990, Mr. Young formed an organization called Young Ideas which was designed to provide a link between corporate America and the developing world. He later formed Good Works International, an organization he still runs.

هكذا من الأصل

HEALTH/SCIENCE

TOMORROW: LEISURE

The Milky Way's Superstar

Hubble Detects a Body as Bright as 10 Million Suns

By John Noble Wilford
New York Times Service

NEW YORK — Try to imagine a star so big that it would fill all of the solar system within the orbit of Earth, which is 93 million miles from the sun. A star so turbulent that its eruptions would spread a cloud of gases spanning four light-years, the distance from the sun to the nearest star. A star so powerful that it glows with the energy of 10 million suns, making it the brightest ever observed in our galaxy, the Milky Way.

Actually, a star so big and bright should be unimaginable, according to some theories of star formation. But there it is, near the center of the Milky Way, long hidden from the human eye by vast dust clouds and its magnitude only now revealed by the Hubble Space Telescope, using a camera sensitive to the infrared light that penetrates the clouds.

The detection of the luminous star, about 25,000 light-years from Earth in the direction of the constellation Sagittarius, was announced by the Space Telescope Science Institute in Baltimore and the University of California at Los Angeles. The infrared photograph was taken and analyzed by a team of astronomers led by Dr. Don Figer and Dr. Mark Morris of the university.

"This star may have been more massive than any other star, and now it is without question still among the most massive," Dr. Figer said. "Its formation and life stages will provide important tests for new theories about star birth and evolution."

Dr. Bruce Margon, an astronomer at the University of Washington in Seattle, said the discovery demonstrated the ability of the Hubble telescope's near-infrared camera and multi-object spectrometer, an instrument installed last year by visiting astronauts, to probe the Milky Way's central regions. Dust clouds there had left astronomers working in a virtual fog. The dust absorbs the visible light of stars, even those as bright as the one just identified.

As a result, "we know less about the center of our own galaxy than we do about the center of other much more distant galaxies," Dr. Margon said.

The presence of a presumably mammoth star in that dusty region was first noted early in this decade by ground-based infrared telescopes.

In research for his doctorate in astronomy, Dr. Figer found reasons to suspect that the star was especially powerful and that its "past eruptive stages" might have created the nebula of dust and gas around it.

The Hubble findings not only revealed the full magnitude of the star but also confirmed that its eruptions had produced the extensive nebula. Astronomers said the shape of the nebula reminded them of a pistol, and named its source the Pistol Star.

From the star's brightness and prodigious output of gases, astronomers have drawn conclusions about its short and brilliant career. It probably formed one million to three million years ago, a brief time in cosmic history. It may have weighed up to 200 times the mass of the sun before consuming and shedding so much of its mass in violent eruptions.

Dr. Figer and Dr. Morris said the Pistol Star was so massive when it was born that it brought into question current thinking about how stars were formed. Stars take shape within huge dust clouds when interstellar gases contract under their own gravity, eventually condensing into hot clumps that ignite the hydrogen fusion process. Some theorists had doubted that material for a star on the massive scale of the Pistol Star could coalesce without blowing itself apart.

It is also assumed that a nascent star would radiate enough energy at some point to halt the inward fall of material, thus limiting a star's maximum mass. But what is that limit?

Dr. Margon said that he had not studied the data, but that the Hubble telescope had proved to be highly reliable in investigating what lies beyond the dust barrier at the galactic core. Theorists, he said, will now have to refine or recast their ideas of star formation.

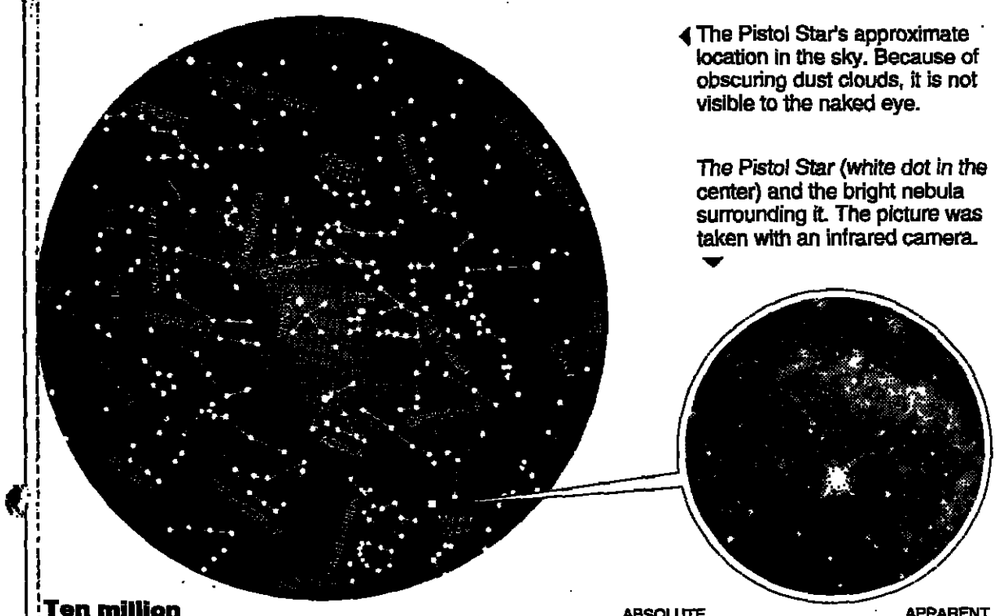
"We don't really understand the details of how stars form out of diffuse interstellar gas," he said. "We don't know what determines the size of the proto-stellar clumps, but there must be some upper limit to the potential mass of a viable star."

Dr. Morris of UCLA said, "Current evidence leads us to believe that the star formation process near the center of the galaxy may favor stars much more massive than our modest sun."

Astronomers analyzing the data estimated the present mass of the star at 100 solar masses. Twice in the last 6,000 years, eruptions in the star's atmosphere ejected expanding shells of gas equal to the mass of several suns, the largest being the cloud stretching four light-years.

At such a rate of mass loss, the star probably has only another one million to three million years to live. Its likely fate is a spectacularly explosive death in a supernova.

By contrast, the sun is a star of modest size, a diameter of about 860,000 miles, but much greater longevity. It is about five billion years old, astronomers estimate, with another five billion to go.



The Pistol Star's approximate location in the sky. Because of obscuring dust clouds, it is not visible to the naked eye.

The Pistol Star (white dot in the center) and the bright nebula surrounding it. The picture was taken with an infrared camera.

Ten million times as bright as the sun

The brightness of a star is measured in magnitudes; the brighter the star, the lower its magnitude. The absolute magnitude is how bright a star would be from a standard distance (10 parsecs or about 32.6 light-years). Apparent magnitude is how bright a star appears to us in the sky.

	ABSOLUTE MAGNITUDE		APPARENT MAGNITUDE
	(The brighter the star, the lower its magnitude)		
Sun	4.8		-26.72
Sirius	1.4	(23 times as bright as the Sun)	-1.46*
Pistol Star	**-12.5**	(10 million times)**	35**

Source: Space Telescope Science Institute; UCLA; NASA.

* The brightest star as seen from Earth. ** Estimate.

The New York Times

Packing for 7-Year Trip to Saturn

By Kathy Sawyer
Washington Post Service

WASHINGTON — Cassini, a 6.25-ton, two-story robotic spacecraft, is ready for departure next week on a journey of almost seven years to the ethereal realm of Saturn and its celebrated ring system. Riding along is a smaller probe, called Huygens, which is to separate from the orbiting mother ship and dive to the surface of Saturn's mysterious planet-size moon Titan, into a chemical soup similar to the one that spawned life on Earth.

The $3.4 billion mission, 15 years in the planning and still at least 11 years from completion, is the most comprehensive ever undertaken to explore another planet. With a $600 million assist from the European Space Agency and the Italian Space Agency, the program has employed more than 5,000 people, including hundreds of scientists and engineers from 16 European countries and 32 U.S. states.

Cassini, however, is the last of NASA's interplanetary giants for now. This is the era of "smaller, faster, cheaper" missions. Accordingly, the ambitious Cassini has struggled to survive a gauntlet of budget cuts, design revisions, glitches and hints of outright cancellation.

It is also under a public relations assault by anti-nuclear activists who want to halt its launch because, like 23 U.S. space missions over the last 30 years, the craft relies on power packs of potentially lethal — but heavily armored — radioactive plutonium. The plutonium's natural decay provides heat for conversion to electrical power where it is not feasible to harness energy from the sun. The National Aeronautics and Space Administration, the U.S. Energy Department and a host of independent experts have reviewed the system's safety.

Large enough to swallow 764 Earths, Saturn is a photogenic gas ball in the perpetual night some 890 million miles from the sun — twice as far away as Jupiter, and so far from Earth that the radio signal will take up to 85 minutes to travel one way between the two planets at the speed of light.

Because of the distances and the mission's complexity, the trip requires a daunting amount of energy, said Richard Spehalski of the Jet Propulsion Laboratory, the Cassini program manager. More than half the spacecraft's liftoff weight is devoted to liquid propellants.

But to have enough energy to brake at Saturn and carry out its planned four-year investigation there, the massive craft must also traverse a looping 2.2 billion-mile course, stealing gravitational energy from three planets, on four occasions, along the way.

Upon arrival at its destination, planned for July 1, 2004, Cassini must fire its main engine for 94 minutes to slow down and be captured as a Saturnian satellite.

The kingdom of Saturn is so beautiful it has become the icon of space exploration, noted Wesley Huntress Jr., NASA chief scientist. But the planet, its moons and rings also offer scientists a rich variety of physics and chemistry, which are expected to provide rare insights into "major scientific questions about the creation of the solar system as well as conditions on early Earth" and how planets might form elsewhere in the cosmos, Dr. Huntress said.

Practical Tricks to Help Memory

By Susan Gilbert
New York Times Service

NEW YORK — Gabriel Abbinanti had always taken pride in his sharp memory, but when he reached his early 60s, he started forgetting things: the car keys, his glasses, people's names. Last fall, he heard about a memory enhancement course given at Mount Sinai Medical Center in New York, and he decided to give it a try.

"Everyone in the group was concerned that they were developing Alzheimer's," said Mr. Abbinanti, 62, a retired New York City firefighter who lives on Long Island. All the students were healthy, but their memories were slipping with age and they wanted help.

The Mount Sinai course is designed for people like Mr. Abbinanti, who are experiencing the sorts of memory problems that often start in the 50s or 60s, like difficulty absorbing new information or connecting names with faces, said Dr. Cynthia Green, who teaches the course and is director of the Memory Enhancement Program at Mount Sinai.

The course draws on techniques that were used in a study conducted last year at Mount Sinai and four other institutions. The techniques proved successful in improving memory immediately after the subjects learned them. In the long term, the subjects had improved confidence in their memory, even though their gains, as measured by the study, had been lost.

Dr. Green said one of the reasons for giving the course was that a lack of confidence could make memory problems worse. If someone misses an appointment or forgets a personal identification number, for example, then worries that his memory is failing, the problem snowballs, she said.

The techniques used in the study are simpler and more practical than those outlined in how-to books on memory enhancement, said Dr. Richard Mohs, a psychologist at Mount Sinai and the Bronx Veterans Affairs Medical Center who directed the study.

The how-to books tend to teach mental games for remembering large volumes of data, like long lists or entire books. Many of these strategies, known as mnemonics, were devised by the ancient Greeks. They involve giving words extra meaning — by, for example, associating them with vivid images or using them to make up stories — so they can be remembered more easily.

"The problem with memory-enhancing strategies is that they're hard to learn so they tend not to be used without practice," Dr. Mohs said. "In studies, people using these strategies were helped for a while, but over time, without additional reinforcement, the improvement went away."

Why go to all the trouble of memorizing a list when you can write it down?

Dr. Barry Gordon, author of "Memory" (Mastermedia Ltd., 1995), a popular book on memory enhancement, knows all too well the limitations of mnemonics.

"I tried some of the methods I learned in writing my book, and they worked beautifully," said Dr. Gordon, who is director of the Cognitive Neurology, Neuropsychology and Memory Disorders Clinic at the Johns Hopkins University School of Medicine in Baltimore. "I went from remembering no one's name at a party to remembering everyone's name. But mnemonics is a lot of hard work, and at some point, you just have to enjoy the party."

Rather than focusing exclusively on mnemonics, the memory-enhancement course in Dr. Mohs's study included information about how memory works, how memory changes with age and how factors like anxiety, lack of sleep and alcohol can temporarily impair memory.

The researchers recruited 142 people 60 to 90 years old who had some memory loss but were otherwise healthy. They were divided into two groups. One attended the memory course, which met once a week for eight weeks. The other people, who served as a control group, simply watched videos of a public television series on the mind.

Before the study began, immediately afterward and six months later, all the participants were given a memory test. Right after the study, the people who had taken the course showed improvement on the test. They also had more confidence in their memories. But those who had watched the videos showed no improvement on either of these measures.

Six months later, memory test scores for the group who had taken the course were back where they started. But their confidence in their memories remained high.

Dr. Mohs said he thought that in some ways, the improved confidence of the people who had taken the course was more relevant to everyday life than their scores on the memory test.

The Mount Sinai course is a modified version of the course that Dr. Mohs's study tested. It started last fall in response to what Dr. Green described as an increase in the number of people who were coming to her for memory tests.

On a recent Monday evening, Dr. Green outlined various tools for enhancing memory performance, ranging from electronic personal organizers to more basic things like appointment books and Post-It notes. There were nine students in the room, ranging from their 20s to their 80s. Their response to the mnemonic techniques was lukewarm: They wondered why they should go to all the trouble of memorizing a list when they could write it down.

Practical ways to fix specific memory problems got a more enthusiastic reaction. If you have trouble remembering what the doctor said hours after a checkup, take notes on a notepad that you always carry with you, Dr. Green said.

MILAN FASHION

Not Haute, but Home Couture

Prada Spreads Its Light

By Suzy Menkes
International Herald Tribune

MILAN — Prada is light-years ahead of anything else on the Italian runways — and "light" was the word for its spring-summer collection. The play on fabrics and textures that brought gold satin illuminating rough hemp, bare skin gleaming through translucent latex and bugle beads laid in glassy lines, all had an eerie, otherworldy magic.

Yet in some ways it was a womanly, down-home collection, where the undulating seams might have been sewn on your mom's old Singer machine and lumpy hems were caught with basting stitches. Think home couture, not haute couture.

From the opening outfits with bust darts worked in scallops, Miuccia Prada's imaginative message came through: Seams are not only about cut and sew, but also decoration. Crisp fabrics like cotton poplin were shaped roughly to the body, the bias seams creating wavy lines. Although some of the clothes looked like sewing experiments, they were not weird: sleeveless tops with cropped pants (a current Milan trend) and dresses bloused before gripping the narrow hips were normal pieces.

The show seemed like a celebration of a forgotten world, when home dressmaking was part of growing up. That is a smart intellectual take when fashion is focused on craft and couture detail.

The point of Prada's show was to make the ordinary special. So a meadow-sweet print of wheat ears was enhanced by computer for a sci-fi look. Or translucent latex, rather than chiffon, was used for sheer effects. The latex was also embroidered, while other modernist decoration included glass beads gleaming on a gray-cloud print and shoe heels glowing radioactive pink.

"A lot of work, a lot of fantasy — and going on doing new things," said Prada backstage of a show that projected fashion fast forward. It received a well-deserved ovation.

At his Fendi show, Karl Lagerfeld seemed to be groping toward the same futuristic fashion beacon, but he left his audience in the dark. Why was a designer known for couture cutting showing square, shapeless, waistless dresses? In beige knit, they looked literally like sacks.

What was the unfathomable geometry: black leather with awkward, angular straps or draped crepe apparently bursting open across the curves?

The only clothes that made sense were the so-called "summer furs" — using tufts of feathers, Mongolian lamb and goatskin as primitive decoration. And the sleek men's jeans, made from the Fendi-logo fabric and shown with a fresh white shirt. Now what sexist plot is this that women get to wear boxy dresses splattered with sequins like the packaging for kiddies' candies — and men get the streamlined, luxurious clothes that Fendi stands for?

Etro's show proved how fast the fabric house is finding its fashion feet. From looking like a romp through the sample room, the Etro look has developed as casual, upbeat, even larky pieces, with ethnic overtones in the long, light skirts, the bleached-out paisley patterns and in the glitter worked into textiles. Some of the clothes still looked in need of design inspiration, but the presentation was first class, with its movie backdrop of flowing water echoed in the liquid drape of fabric and the sequined droplets on the models hair.

Moore/Thomas

Prada's bugle beads on a computer-print dress.

Genny had earned itself a superb venue. Its chairman Donatella Girombelli had contributed to the restoration of the Rotonda della Besana — a 17th-century structure where the models paraded gracefully among the stone pillars, topped by carved skulls. It would have been good to see those textures of ancient stones included in the collection. Instead, Genny presented a bright contrast to the surroundings, with shocking-pink and chrome-yellow tailoring, which looked like a rerun of the in-your-face 1980s. Quilted piqué decoration and mermaid evening dresses were more subtle, but the show missed the fabric innovation so crucial to modern fashion.

Laurel showed how to make a simple collection shine by using innovative fabrics, from crumpled suede, though computer-enlarged prints to Versace-style metal mesh. The silhouette was streamlined and slim, making the line look modern in its commercial way. Iceberg put together the trends of the Milan season in its collection of saleable items: sparkling knitwear, Capri pants, openwork decoration and lots of shiny silver.

CROSSWORD

ACROSS

1 A pin may go through it
5 Cirrus cloud formation
9 Ankylosaur feature
14 Base
15 Angelic symbol
16 Sabbatical, e.g.
17 One of TV's Simpsons
18 One-named supermodel
19 It's spoken in Kuala Lumpur
20 *Improvise, as a historian?*
22 Deli buy
24 Impatient
27 Pane frame
29 Rat
31 Can. heads
34 Ramsey Lewis Trio song about Taoists?
36 Witness stand statement
38 Bear lair
39 Cinders in old strips
40 Film about burgling partners?
45 Count finish
46 What "nobody doesn't like"
47 Hankers
49 Old Renault
50 One-person boats
54 Baker's quote *from* "Romeo and Juliet"?
58 Nicholas Gage best seller
61 Gardener's role
62 In —— (as found)
63 Kind of machine
64 Late Norwegian king
65 Set foot (on)
66 Braves Hall-of-Famer Warren
67 Townshend of the Who
68 Horned vipers

DOWN

1 Benefits
2 Spain's Saint Teresa of ——
3 Rope fiber
4 *Spanish beaches*
5 Milky
6 A foot in a line
7 Do in
8 Small liqueur *glass*
9 Fact-filled *reference*
10 One of a bicycle pair
11 Bad start?
12 They're fertilized
13 Juan Carlos, e.g.
21 "—— the end of my rope!"
22 Merit
25 Clerical scarf
26 Caterwauls
28 Waffle
29 Cheap-seeming
30 Vitamin bottle *info*
31 Florists' needs
32 Taj ——
33 Cubic meter
36 Verify
37 Fragrant lily
41 Jubilance
42 Jewell of "The Facts of Life"
43 Merit
44 Black
48 Rest after almuerzo
51 Expositions
52 Camera setting
53 Supports for baths
55 Kind of talk
56 Lacquered metalware
57 Olympics preliminary
58 Staff of Life: Abbr.
59 Impudence
60 Greek letter

Solution to Puzzle of Oct. 8

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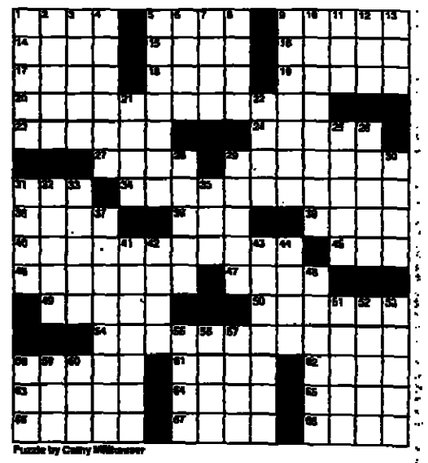

Puzzle by Cathy Millhauser

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NYSE

Wednesday's 4 P.M. Close

The 2,600 most traded stocks of the day.
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The Associated Press.

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Continued on Page 16

STREET WATCH

New Bond, Re-pub

CURRENCY & INTER

هكذا من الأصل

Think big?
You wish to finance a large-scale international project?
NORD/LB
NORDDEUTSCHE LANDESBANK GIROZENTRALE

Herald INTERNATIONAL Tribune
BUSINESS/FINANCE
R THURSDAY, OCTOBER 9, 1997 PAGE 13

Think twice!
A second opinion is always smart.
From a major German bank with international experience.
NORD/LB
NORDDEUTSCHE LANDESBANK GIROZENTRALE

Video Game Master Dies In Japan

Gumpei Yokoi, 56, Created Gameboy

By Velisarios Kattoulas
International Herald Tribune

Universal Pictorial Press
Virtual Boy, a Yokoi creation, offers 3-D games and a special headset.

TOKYO — Gumpei Yokoi will be remembered as a man who with an improbable stroke of genius in the late 1980s mesmerized more than 50 million people around the world.

Mr. Yokoi, 56, who was buried in Kyoto on Wednesday after dying in a traffic accident Saturday, was a master toy designer who led a team of engineers at the Japanese video-game maker Nintendo Co. that unveiled Gameboy in 1989 — the world's first and best-selling palm-sized video-game machine.

Perhaps more important, Mr. Yokoi, known as the "Father of Gameboy," was at the vanguard of a group of pioneering Japanese engineers who specialized in consumer electronics in the 1980s.

Together, engineers from such companies as Nintendo, Sony Corp., Toshiba Corp. and Sharp Corp. pushed the boundaries of technology and enlivened the daily routines of more than a billion people.

At the same time, the shift in focus in Japan from heavy industry to consumption that Mr. Yokoi and his contemporaries embodied highlighted Japan's metamorphosis into the world's second most powerful economy, and into a significant cultural force.

"By the early 1980s, Japan had long been swayed by Hollywood movies and other foreign influences," said Hidehiko Sekizawa, executive director at Hakuhodo Institute of Life and Living, the research arm of a top Japanese advertising agency. "But for the first time, we saw Japan exerting a strong influence on the United States and other nations." With its universal popularity, Mr. Yokoi's Gameboy became a symbol of that influence.

Born in Kyoto, the nation's ancient capital in western Japan, Mr. Yokoi was interested in electronics from his youth and took up electrical studies in his university days. After he graduated in 1965, he joined Nintendo when the company was still only a maker of playing cards.

Mr. Yokoi started in the electric maintenance department. But he was quickly promoted because in his spare time he created toys from his own designs and they had then gone on to sell well.

"Mr. Yokoi was a tremendously talented and kind person and was loved and admired by everybody at Nintendo," said Yasuhiro Minagawa, a spokesman at Nintendo headquarters in Kyoto.

By the mid-1980s, he was in charge of development at Nintendo and headed the team that developed Gameboy. With a price tag below $100 and small enough to fit into a pocket, it became an instant hit, and in the past eight years more than 55 million have been sold.

Its price has been halved and Gameboy remains Nintendo's best-selling product, playing a big role in taking the company to the top of the multi-billion-dollar video game market.

Gameboy is best known for distracting schoolchildren from their homework with around 300 different fighting, motor racing and mathematics games that depicted worlds of dragons, gorillas and fantastic explosions set against psychedelic cityscapes.

In August last year, Mr. Yokoi, who in recent years had acquired a taste for sports cars, left Nintendo to run his own electronics company.

Initial press reports said he had left to take responsibility for the sluggish sales of the Virtual Boy video machine, which he also helped develop. But Mr. Minagawa, the Nintendo spokesman, said that was not the case, and Mr. Yokoi wrote in a weekly magazine in November that he had left in search of new challenges.

U.S. Presses China on Trade Gap

Issue Emerges as 2 Sides Lay Groundwork for State Visit

By Seth Faison
New York Times Service

BEIJING — The U.S. commerce secretary, William Daley, apparently trying his best to sound angry, on Wednesday attacked China's growing trade imbalance with the United States.

Visiting Beijing for trade talks, Mr. Daley said he had tried to put pressure on China's leaders to open their markets further or to do anything that would reverse the widening gap between what China sells to America and what it buys from America.

"The trends have just got to change," Mr. Daley said after meeting President Jiang Zemin. "It's just unacceptable for them to continue this way."

His tough-sounding words, however, were essentially a replay of complaints that U.S. officials have made over the past 10 years with little discernible effect, since the imbalance has grown ever larger during that time. The Commerce Department estimates that the trade gap will grow to $44 billion this year.

With his trip aimed partly at laying some groundwork for President Jiang's meeting with President Clinton in Washington at the end of this month, Mr. Daley also was engaged in some multisided diplomacy that reflects the tricky position the Clinton administration faces in China.

On one side, acting as American business's best advocate, Mr. Daley encouraged Chinese officials to buy American and, more specifically, to commit to a pending deal for up to $2 billion of Boeing aircraft.

At the same time, with the Clinton administration sensitive to accusations that it is somehow caving into Chinese demands to make sales here, Mr. Daley, went out of his way to sound tough by aggressively attacking Beijing for keeping out U.S. goods.

"When they're growing at the pathetic pace that they are today," Mr. Daley said, referring to U.S. exports to China, "we need to see significant change."

China's market is hardly open — on Wednesday Mr. Daley pointed to distribution controls, import licenses and special product standards as typical barriers — but as a poor country, it is debatable how many Chinese customers could afford U.S. products even if access were greater.

Over the years, when Chinese officials have heard complaints about trade they often answer that the imbalance comes mostly from the huge U.S. demand for China's cheaply-made goods, like shoes and toys and electronics, and less from Chinese government policy.

To appease the Americans a bit, Trade Minister Wu Yi announced Wednesday that China would soon send a mission to the United States to sign what she called "substantial economic contracts" to help narrow the imbalance. Failing to identify the timing, value or kind of goods involved, however, suggested that the announcement was more symbol than substance.

But Mr. Daley insisted that the Clinton administration would continue to pursue more trade and cooperation with China, not less. "Ignoring reality by retreating from the global economy and China's expanding role in it is not an option," Mr. Daley said.

Asked about the possibility that China might win permanent most-favored-nation trade status — which Beijing has repeatedly demanded — Mr. Daley said it was unlikely to occur until "we see progress on a whole host of other issues."

■ Boeing Nears $2 Billion Sale

Boeing Co. is close to signing a final contract to sell 30 jets valued at $2 billion to China in the largest such deal between Beijing and a U.S. aircraft maker in recent years, aviation sources at an air show said, according to news agency reports.

The contract should be signed during President Jiang's visit to the United States, the sources said.

The president of Boeing, Ron Woodard, who attended the air show's opening alongside Deputy Prime Minister Wu Bangguo, refused to comment on the deal. Over the past two years, Boeing has sold only 12 planes to China. Airbus Industrie, however, has sold 60 aircraft to China since April 1996.

Meanwhile, Turkish Airlines said it had agreed to pay Boeing $854 million for 26 new 737-800 aircraft. The order beat out a rival bid from Airbus, which was trying to sell Turkish Airlines its A321 model.

Both are smaller jets used for shorter flights. *(Bloomberg, AFP)*

EU Acts on Transfers of Pensions

If 15 Members Approve, Labor Flexibility Will Get a Boost

By Barry James
International Herald Tribune

BRUSSELS — The European Commission acted Wednesday to remove one of the biggest impediments to labor flexibility in the European Union: the inability to transfer occupational and company pensions from one country to another.

If adopted by the 15 member governments, the proposal by the EU's executive body would enable employees and self-employed workers to keep the same pension rights as though they had remained in their own countries.

They would preserve acquired rights, be able to receive payments across borders and have the right to remain affiliated to a pension plan in one country while temporarily posted to another.

The measure would go some way to removing a grass-roots criticism of the EU's single market: that it eases the flow of capital and goods, but still retains barriers to the movement of labor.

Experts said the introduction of a single currency in 1999 would make it easier to organize pension plans across borders.

State pensions and social security benefits already are transferable from one member country to another. But the commission noted that many workers depend more on company and supplementary pensions than they do on state benefits, which in several countries have been capped or cut as a result of austerity measures.

The present situation, the commission said, "penalizes individual workers, it affects in a negative way the EU economy as a whole, and it goes against the fundamental principle of free movement of people within the EU."

Mario Monti, the commissioner in charge of implementing the single market, said the flexibility of pensions was essential to the "unimpeded and effective functioning" of monetary union.

Padraig Flynn, the commissioner in charge of social policy, said the commission would later examine other pension restrictions that make it difficult for many workers to move to a different country.

These include the long periods that some companies require before workers become vested in a pension plan. This can be as long as 10 years in Germany, meaning that a worker would acquire rights to a pension only after 10 years of contributions. Anyone leaving such a plan before the 10 years had passed would get nothing.

Only about 3 million Europeans work outside their home countries.

Commission experts believe that the difficulty in transferring pension rights is an important cause of labor immobility.

In several countries, including Britain, France, Denmark and the Netherlands, more workers depend on occupational pension plans than on the dwindling state provisions.

In another move, the commission warned Wednesday that it was planning legal measures against countries that have not properly opened their telecommunications markets to competition.

The commission did not name which countries it had in mind. But Karel Van Miert, the commissioner in charge of applying competition rules, said Greece was the "champion" among those that had failed to open their markets.

Experts said Belgium could also face legal action.

Mr. Van Miert said, however, that most countries were on track to meet their commitment to deregulate telecoms markets by January next year.

■ The Great Heathrow Slot Game

Mr. Van Miert also indicated Wednesday that he might be willing to negotiate on the crucial issue of how many slots British Airways and American Airlines would have to release at London's Heathrow Airport in return for approval of their alliance, Reuters reported from Brussels.

But he warned that he would not engage in a "horse-trading" session on the issue.

Acknowledging for the first time that the commission wanted the two airlines to surrender 350 landing and take-off rights at the congested airport, he added that the figure was the result of calculations by the commission aimed at ensuring fair competition.

"Of course it's not an absolute figure," he said. "If there are good reasons why we should modify it slightly, then we could discuss that."

WALL STREET WATCH

With New Bond, Republic Looks Ahead

By Floyd Norris
New York Times Service

NEW YORK — Will Republic National Bank of New York still be around in 2997? It appears that bond investors are confident it will. Lehman Brothers is offering $250 million in 1,000-year bonds for Safra Republic Holdings SA, a European subsidiary of Republic's holding company.

A Lehman executive said this week that the offering was selling well.

The bonds, with a coupon rate of 7.125 percent annually, were priced to yield about 7.21 percent, or about 0.9 percentage point more than 30-year Treasury bonds.

If all goes well for bondholders, they will get that amount of interest each year for the next 1,000 years and then will get their money back. Given that no currency in the world has yet endured for 1,000 years, it is not easy to estimate what a dollar will then be worth.

There is no guarantee that the bonds will stay outstanding for anything like that long. The bonds can be bought back by Republic at any time, Lehman said, but that call provision is a relatively harsh one, with Republic having to buy back the bonds at a price that would give the investors a yield of 25 basis points — a quarter of a percentage point — more than the yield on the 30-year Treasury bond at the time of the call.

In essence, Republic sold a security that will be viewed by investors as similar to a preferred stock, which has no stated maturity date. It is likely that banking regulators will view the bonds as equal to preferred stock when assessing the company's capital structure.

But Republic will be able to deduct the interest payments it makes from its taxable income, as it can deduct any interest payments.

Dividend payments on preferred stock are not deductible.

President Bill Clinton's administration, worried about a number of 100-year bond issues by corporations, proposed last year that interest not be deductible on bonds with a final maturity of more than 40 years after issuance. But Congress rejected the proposal. Still, many lawyers say the Treasury would reject deductions by a U.S. company on bonds with a maturity of more than 100 years.

If all goes well for bondholders, they will get their interest each year for the next 1,000 years and then will get their money back.

Republic National Bank itself has only a minority interest in the European subsidiary, which is based in Luxembourg, and it predicts that under Luxembourg law the interest payments will be deductible.

The fact that the bonds did not sell out on the first day of the offering Tuesday shows that investors needed some persuading, as they did a few years ago when 100-year bonds returned for the first time since the late 19th century.

Those old 100-year bonds were sold primarily by railroads, with investors taking comfort in the fact they were being sold in "gold dollars," which guaranteed investors that they would be compensated if the dollar was devalued relative to gold.

Alas, that promise was outlawed by Congress in the 1930s, an act that was upheld by the Supreme Court on a 5-to-4 vote, and those 100-year bonds proved to be poor investments as interest rates rose well above the low levels at which they were issued.

In the late 1970s and early 1980s, owners of 30-year Treasury bonds suffered big losses if they sold, because rapidly rising interest rates had driven down the bonds' value. Those bonds carried the assurance that investors would get their principal back, in nominal dollars, in three decades, a fact that helped to hold down the losses.

Republic's bonds will take 100 decades to mature and thus would be expected to perform even worse if rates did soar.

It is obvious that no buyer of 1,000-year bonds will be around at maturity, and institutions that buy bonds tend to assume that they will be able to sell the bonds in time if it appears that interest rates are soaring, as would be likely to happen if inflation were to recur. At the moment, inflation is quiet, and few expect it to revive in the near future.

In the early 1980s, investors would have laughed at the idea of such bonds. Now, the fact that such bonds can be issued is yet another indication of how little worry there is that inflation could ever come back.

Germany and Mexico Sign Investment Pact

The Associated Press

BONN — Germany and Mexico signed a treaty Wednesday to promote and protect bilateral investment and trade.

Helmut Kohl, the German chancellor, and President Ernesto Zedillo of Mexico attended the treaty signing by both countries' economics ministers in Bonn.

"The treaty creates a stable, long-term reliable basis for the further expansion of German-Mexican investment relations," Guenter Rexrodt, Germany's economics minister, said.

Germany is Mexico's biggest market in Europe, while Mexico is Germany's second-largest Latin American trading partner, after Brazil.

In talks with Mr. Kohl, Mr. Zedillo said he would welcome more German investment in transportation, petrochemicals and other infrastructure projects in Mexico, Peter Hausmann, a government spokesman, said.

A German trade center, the first in Latin America, will be opened in Mexico soon to help small and medium-sized German companies gain business, Mr. Hausmann said.

Both leaders also said they wanted to expand relations.

Germany has direct investment of more than $1.7 billion in Mexico. It added $86 million in new investment there in the first half of 1997.

The treaty contains legal protection in cases of domestic favoritism in the allocation of contracts and is designed to protect property and the transfer of capital and profits.

To Our Readers

To present the New York Stock Exchange tables more legibly, the International Herald Tribune has begun publishing a redesigned list of NYSE share prices. (Page 12)

The type size has been enlarged and the space between lines widened. This has been achieved by eliminating shares that seldom trade and by dropping shares not available to most investors. In limiting the list to the 2,600 most traded shares, the new table nonetheless represents about 99 percent of all NYSE market value daily.

This is the first in a series of revisions aimed at making the share prices in all of our U.S. market tables more readable. We invite your comments and suggestions (e-mail to iht@iht.com or write to the editor, International Herald Tribune, 181 Ave. Charles de Gaulle, 92521 Neuilly-sur-Seine, France). Full daily U.S. share-price information remains available at the IHT's site on the Internet: www.iht.com

CURRENCY & INTEREST RATES

Cross Rates

Oct. 8

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9796	3.2075	1.1264	0.3363	0.1149*	—	5.4575*	1.3658	1.3661*	1.4356	1.3345*
Brussels	36.38	58.925	20.64	6.1445	2.1072*	18.3245	—	25.04	0.2994	26.50	24.4075*
Frankfurt	1.7597	2.857	—	0.2777	0.102*	0.8878	4.8482*	1.2136	1.4514*	1.2823	1.1840*
London (a)	1.6225	—	2.8458	9.5585	2,789.889	3.2051	58.7346	2.3475	196.6471	2.2273	240.13
Madrid	148.351	240.373	84.41	25.123	8.607*	74.94	4.0899	102.353	122.404*	108.317	—
Milan	1,724.88	2,801.30	980.55	291.35	—	870.15	47.498	1,192.28	14.175	1,250.00	11.616
New York (b)	—	1.6220	1.7488	5.8754	1,746.00	1.9698	36.08	1.443	121.10	1.3723	148.38
Paris	5.985	9.568	3.3599	—	0.3426*	2.983	0.1628	4.0741	4.8802*	4.3115	3.9005*
Tokyo	122.35	198.55	69.58	20.49	0.709	61.71	3.3687	84.29	—	89.14	0.8236
Toronto	1.3737	2.2271	0.7852	0.2337	0.0801*	0.697	0.3805*	0.9508	1.1337*	—	0.929*
Zurich	1.449	2.3523	0.8253	0.2457	0.0842*	0.7328	3.9986*	—	1.1974*	1.0562	0.978*
1 ECU	1.1182	0.6901	1.9652	6.603	1,927.23	2.2135	40.5592	1.6207	135.297	1.5384	165.878
1 SDR	1.3665	0.8445	2.401	8.0803	2,355.10	2.7074	49.5042	1.9796	164.437	1.874	203.059

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York rates at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	277.11	Mex. peso	7.735	S. Afr. rand	4.669
Australian $	1.3765	Hong Kong $	7.7357	N. Zealand $	1.5593	S. Kor. won	914.80
Austrian sch.	12.365	Hung. forint	194.81	Norw. krone	7.0717	Swed. krona	7.5465
Brazil real	1.0972	Indian rupee	36.20	Phil. peso	35.10	Taiwan $	28.49
Chinese yuan	8.3145	Indo. rupiah	3640.50	Polish zloty	3.41	Thai baht	35.85
Czech koruna	32.81	Irish £	0.6878	Port. escudo	178.97	Turkish lira	174840.
Danish krone	6.6887	Israeli shek.	3.4885	Russ. ruble	5869.00	UAE dirham	3.671
Egypt. pound	3.40	Kuwaiti dinar	0.3016	Saudi riyal	3.75	Venez. boliv.	497.25
Fin. markka	5.2683	Malay. ring.	3.1775	Sing. $	1.558		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6180	1.6159	1.6137	Japanese yen	120.61	120.08	119.54
Canadian dollar	1.3670	1.3648	1.3625	Swiss franc	1.4470	1.4453	1.4435
Deutsche mark	1.7541	1.7509	1.7475				

Sources: ING Bank (Amsterdam); Cera Investment Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

Oct. 8

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 1/2 - 5 5/8	3 1/8 - 3 1/4	1 5/8 - 1 3/4	7 1/8 - 7 1/4	3 1/8 - 3 1/4	3/8 - 1/2	4 3/8 - 4 1/2
3-month	5 5/8 - 5 3/4	3 1/4 - 3 3/8	1 5/8 - 1 3/4	7 1/4 - 7 3/8	3 1/4 - 3 3/8	3/8 - 1/2	4 3/8 - 4 1/2
6-month	5 3/4 - 5 7/8	3 3/8 - 3 1/2	1 5/8 - 1 3/4	7 3/8 - 7 1/2	3 3/8 - 3 1/2	3/8 - 1/2	4 1/2 - 4 5/8
1-year	5 7/8 - 5 15/16	3 1/2 - 3 5/8	1 13/16 - 1 15/16	7 5/8 - 7 3/4	3 5/8 - 3 3/4	1/2 - 5/8	4 5/8 - 4 3/4

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 9/16	5 1/2
90-day CDs dealers	5.60	5.60
180-day CP dealers	5.48	5.48
3-month Treasury bill	4.96	4.92
1-year Treasury bill	5.16	5.09
2-year Treasury bill	5.77	5.64
5-year Treasury note	5.95	5.81
7-year Treasury note	6.00	5.86
10-year Treasury note	6.08	5.93
30-year Treasury bond	6.37	6.23
Merrill Lynch 30-day RA	5.09	5.08
Japan		
Discount rate	0.50	0.50
Call money	0.42	0.41
1-month interbank	0.46	0.46
3-month interbank	0.47	0.47
6-month interbank	0.50	0.50
10-year Gov't bond	1.96	1.94
Germany		
Lombard rate	4.50	4.50
Call money	3.13	3.12
1-month interbank	3.20	3.20
3-month interbank	3.42	3.42
6-month interbank	3.51	3.50
10-year Bund	5.65	5.44

Britain		
Bank base rate	7.00	7.00
Call money	6 1/2	7.00
1-month interbank	7 3/16	7 3/16
3-month interbank	7 1/4	7 1/4
6-month interbank	7 3/8	7 3/8
10-year Gilt	6.43	6.33
France		
Intervention rate	3.10	3.10
Call money	3 3/16	3 3/16
1-month interbank	3 1/4	3 1/4
3-month interbank	3 5/16	3 5/16
6-month interbank	3 7/16	3 7/16
10-year OAT	5.45	5.47

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	332.07	+0.57
London	331.90	332.60	—0.65
New York	333.40	335.30	+2.00

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)
Source: Reuters.

A LITTLE SOMETHING FOR YOUR GREAT GREAT GRANDSON

The Corum Gold Coin Watch. An authentic $20 U.S. gold piece, first minted more than 100 years ago, is halved and an ultra-flat mechanical or quartz movement is cushioned inside. Heralded as one of the world's great timepieces, it is prized as an heirloom to be passed on from generation to generation.

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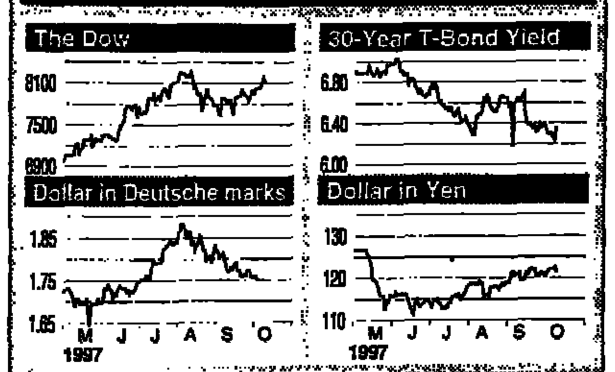


Exchange	Index	Wednesday @ 4 P.M.	Prev. Close	% Change
NYSE	The Dow	8095.06	8178.31	-1.02
NYSE	S&P 500	973.78	983.12	[illegible]
NYSE	S&P 100	938.84	946.37	[illegible]
NYSE	Composite	509.53	[illegible]	[illegible]
U.S.	Nasdaq Composite	1741.77	1737.26	+0.26
AMEX	Market Value	718.31	721.92	-0.49
Toronto	TSE Index	7165.39	7139.60	+0.29
São Paulo	Bovespa	12422.74	12480.85	-0.38
Mexico City	Bolsa	5282.99	5350.14	-1.26
Buenos Aires	Merval	831.19	843.25	-1.43
Santiago	IPSA General	5321.79	5366.95	-0.84
Caracas	Capital General	10469.02	10482.77	-0.13

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

• **Marvel Entertainment Group** said its latest attempt to satisfy bank lenders and emerge from Chapter 11 reorganization collapsed when the company failed to get two-thirds of the banks to go along with the plan. The comic-book publisher said it would attempt to get more financing from **High River LP** and **Westgate International LP**, its bondholders despite, the opposition of the banks to such a plan.

• **Jostens Inc.** warned that it would have a wider third-quarter loss than expected because of costs related to expanding two plants and switching compensation for some salespeople. The maker of class rings, school diplomas and yearbooks said it expected a loss of 15 cents to 20 cents a share, compared with analysts' expectations of a loss of 3 cents a share.

• **Neiman Marcus Group**, a retailer, said it planned to open three stores focusing on jewelry, gifts and home accessories as a first step toward creating a chain of retailers devoted to those items.

• **PepsiCo Inc.**'s Frito-Lay unit said it agreed to buy the Cracker Jack snacks line from **Borden Foods Corp.** Financial terms of the purchase were not disclosed.

• **Dow Jones & Co.** said third-quarter earnings fell 34 percent from the year-earlier quarter, to $26.8 million, as investment spending on its Dow Jones Markets information service continued to hurt results.

• **Netscape Communications Corp.** said the U.S. Defense Department had agreed to license its software, expanding the Internet software company's push to gain customers among corporations and big institutions. Terms of the deal were not disclosed.

• **Yahoo! Inc.** agreed to buy **Four11 Corp.**, an on-line communications and directory company, for $92 million in stock, expanding its offerings of Internet content and services.

• **Motorola Inc.** said it planned to expand its Chandler, Arizona, semiconductor-products plant with a $1.1 billion addition that will house a silicon fabrication facility and support operations.

Bloomberg, Reuters

AT&T and GTE Exploring Huge Merger

By Seth Schiesel
New York Times Service

NEW YORK — Seeking a partner to invigorate its torpid local telephone strategy, AT&T Corp. is discussing a merger with GTE Corp., executives close to the talks have said.

A deal to merge the two companies could be worth $48 billion or more and would be the largest such transaction in American history, dwarfing WorldCom Inc.'s $30 billion bid, announced last week, to acquire MCI Communications Corp.

AT&T, America's largest long-distance telephone carrier, and GTE, one of the biggest local-telephone companies, have been discussing a potential merger intermittently for at least a year, according to analysts and executives familiar with the two companies.

But WorldCom's stunning bid for MCI last week increased the pressure on AT&T to find a mate to increase its presence in local markets and on the Internet.

A published report on the talks Tuesday sent shares of both companies higher in heavy trading on the New York Stock Exchange. Executives of the companies declined to comment on the report. GTE gained a further $1.25 Wednesday to close at $51.875, while AT&T rose $1.0625 to $46.50.

The talks, however, are not yet definitive, executives familiar with the companies said, and any announcement about a deal, if one materializes, may not come soon.

In addition to casting about for a partner to help it offer local telephone service, AT&T is looking for at least one executive to succeed Robert Allen, its chairman and chief executive, who plans to step down soon.

AT&T's succession and acquisition strategies have become intertwined, according to analysts, and Charles Lee, GTE's chairman and chief executive, almost surely would not agree to a merger unless he could assume Mr. Allen's posts.

GTE would not necessarily be AT&T's first choice for a merger partner. AT&T also has held negotiations this year on a merger with SBC Communications Inc., which comprises the former Southwestern Bell and Pacific Bell phone operating companies.

Those negotiations, which contributed to the departure from AT&T of John Walter, its second-ranking executive who had been brought in to succeed Mr. Allen, fell apart after the chairman of the Federal Communications Commission, Reed Hundt, called such a deal "unthinkable." And before negotiating with SBC, AT&T made an overture to BellSouth Corp., executives close to both companies have said.

Even now, AT&T may not be limiting its focus to GTE.

Unlike the five regional Bell companies, GTE offers local telephone service in across the United States. Also unlike the regional Bells — Ameritech Corp., Bell Atlantic Corp., BellSouth Corp., SBC and U S West Inc. — GTE has been free to offer long-distance telephone service without geographic restriction. Over the year that it has offered long-distance service, GTE has won about a million customers.

Greenspan And German Rate Report Hit Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell against the Deutsche mark and other major currencies Wednesday as comments on inflation by Alan Greenspan, the Federal Reserve Board chairman, upset financial markets.

The dollar was also under pressure after a German newspaper fanned concern that the Bundesbank may soon raise interest rates.

The U.S. currency also slumped against the yen in Asian trading after Japanese officials proposed tax cuts aimed at stimulating the domestic economy.

In testimony to the House of Representatives' Budget Committee, Mr. Greenspan said the U.S. economy may be unable to keep growing at its current pace without setting off

FOREIGN EXCHANGE

inflation. That sent bonds and stocks tumbling and raised concern that global investors selling U.S. assets would sell dollars as well.

The dollar extended its loss after the German newspaper Handelsblatt said it would report in Thursday's editions that a majority of Bundesbank council members were prepared to raise interest rates as early as Thursday.

"Until we hear differently from the Bundesbank, the report leaves a mystique in the marketplace about a rate rise," said Domenick Presa, chief currency trader at Dresdner Bank.

"That adds to what happened after Greenspan's comments. A lot of people bought marks today."

The dollar was at 1.7488 Deutsche marks in 4 P.M. trading, down from 1.7577 DM on Tuesday, and at 121.10 yen, down from 122.55 yen.

It also was at 1.4430 Swiss francs, down from 1.4485 francs, and at 5.8754 French francs, down from 5.9060 francs. But the pound slipped to $1.6220 from $1.6225.

"Greenspan's comments are having a negative effect on the dollar," said Stephen Gallagher, an economist at Societe Generale. "There are global flows out of the dollar."

While most traders don't see an imminent move by the Bundesbank to raise interest rates, many said they expected an increase by the end of the year. *(Bloomberg, AFP)*

Champion Aims to Upgrade Paper-Product Line

Compiled by Our Staff From Dispatches

STAMFORD, Connecticut — Champion International said Wednesday that it would sell its newsprint, paper recycling and other businesses along with timberland in the Northeast and cut 2,000 jobs to try to reverse a pattern of sagging profit.

Champion plans to focus on producing more expensive paper products, including magazine and catalog paper and paper for copy machines, a company spokeswoman, Gael Doar, said.

Champion's shares eased 43.75 cents to close at $64.0625 on the New York Stock Exchange.

The businesses to be sold employ about 6,200 people, or 26 percent of its work force, and last year accounted for $1.4 billion in net sales.

The company plans to cut 2,000 jobs from its remaining businesses by the end of 1999, a reduction of about 11 percent. The cuts include a reduction in manufacturing jobs as well in corporate and other jobs at its Stamford headquarters and a facility in Knightsbridge, Ohio.

Champion said the restructuring moves would result in a charge against earnings of $553 million, or $5.77 a share, in the fourth quarter.

The chairman and chief executive, Richard Olson, said the moves would mean more focused attention on core businesses, profitable growth and a stronger company.

Champion has struggled financially. In the second quarter, the company had a loss of 12 cents a share, in contrast to a profit of 16 cents a share in the second quarter of 1996.

For all of 1996, Champion reported net income of $141.3 million, or $1.40 a share, on sales of $5.88 billion, down from profit of $771.8 million, or $8.01 a share, on sales of $6.97 billion in 1995.

(AP, Bloomberg)

GREENSPAN: *Fed Chairman Sees U.S. Economy on 'Unsustainable Track'*

Continued from Page 1

spending, as a percentage of gross national product, to be cut nearly by half since 1985.

Factors such as the strengthened exchange value of the dollar had helped forestall inflation by making imports cheaper. Many workers, insecure about how new technologies might affect them, feared for their jobs and were moderating their wage demands.

Mr. Levenson said that the markets Wednesday had reacted "broadly appropriately" to Mr. Greenspan's comments.

In the longer term, he said: "Greenspan's comments have changed the psychological backdrop. Whereas previously, the thinking was that with strong but noninflationary growth, the market could do better, now it would be hard to think in those terms."

Mr. Greenspan left little doubt that the Federal Reserve remained ready to raise interest rates, if increasing wage demands lead to resurgent inflation.

"A re-emergence of inflation is, without question, the greatest threat

U.S. STOCKS

to sustaining what has been a balanced economic expansion virtually without parallel in recent decades," he said.

With inflation at its lowest level in more than three decades, the Fed has raised interest rates by only 0.25 percentage point over the past 18 months. Fed policymakers declined to raise interest rates when they met last week. Their next meeting is Nov. 12. Mr. Greenspan noted that job growth had slowed significantly in August and September, a fact that produced a stock-market rally. But he added that "it did not slow enough."

Mr. Leahey said, "He is really warning the markets that they've gone too far, too fast."

The duration of the economic expansion, now in its seventh year, has surprised economists and confounded predictions. But Mr. Greenspan referred with caution to the so-called new paradigm, a notion that today's economy does not follow the old rules. As the Fed chairman described the paradigm, "price pressures need rarely ever arise because low-cost capacity, both here and abroad, can be brought on sufficiently rapidly when demand accelerates.'"

Mr. Greenspan's comments also dragged down many European markets. In London, the benchmark FT-SE 100-share index fell 43.5 points, or 0.82 percent, to 5,262.1.

German shares fell as U.S. bonds posted the biggest decline in two months after Mr. Greenspan raised concern interest rates might rise. The DAX Ibis Index fell 43.74 points, or 1.01 percent, to 4,267.39.

In the broad U.S. market, the Standard & Poor's 500 Index dropped 9.28 points, or 1 percent, to 973.84, but the Nasdaq composite index turned around to close up 4.50 points at 1,741.77.

Oil, telephone and bank shares — stocks that tend to perform best when interest rates are falling — were among the biggest decliners. Chase Manhattan fell 1 1/16 to 125 5/16, Bell Atlantic fell ⅝ to 84, and Exxon fell 2⅛ to 64 11/16.

AMEX

Wednesday's 4 P.M. Close

The 300 most traded stocks of the day, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	8183.71	8184.70	8051.35	8095.06	-83.25
Trans	3283.55	3281.37	3235.67	3268.10	-13.19
Util	245.16	245.57	239.57	240.81	-4.71
Comp	2617.30	2616.79	2579.88	2591.39	-24.94

Standard & Poors

	High	Previous Low	Close	Today 4 P.M.
Industrials	1146.82	1133.67	1146.82	1136.86
Transp.	703.19	690.24	703.06	694.07
Utilities	209.13	208.08	209.13	204.23
Finance	118.04	116.68	118.04	116.42
SP 500	983.12	971.95	983.12	973.78
SP 100	946.43	934.44	946.37	938.84

NYSE

	High	Low	Last	Chg.
Composite	514.22	507.37	509.52	-4.64
Industrials	643.85	635.86	638.58	-6.23
Transp.	471.37	467.71	468.66	-2.54
Utility	310.70	305.29	306.58	-4.12
Finance	493.17	485.54	487.91	-5.16

Nasdaq

	High	Low	Last	Chg.
Composite	1741.77	1728.04	1741.76	+4.49
Industrials	1407.10	1396.04	1407.04	+4.20
Banks	1940.86	1930.39	1933.92	-1.90
Insurance	1884.32	1852.37	1863.97	-20.85
Finance	2326.84	2308.26	2311.98	-8.95
Transp.	1145.19	1137.66	1144.70	+4.08

AMEX

	High	Low	Last	Chg.
	723.03	716.58	718.30	-3.60

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	104.53	104.54
10 Utilities	102.34	102.34
10 Industrials	106.71	106.74

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
Gate2000 s	118424	35	32	34⅞	+4⅛
AT&T	80311	47⅝	44⅝	46½	+1⅛
Compaq s	72605	77¾	75⅛	76⅞	+1⅝
PhilMor s	69157	42⅝	41⅞	41⅞	-1⅝
Unisys	65321	14⅛	13⅝	14⅛	+⅛
Iomega	61630	25⅝	22⅝	25⅛	+2⅝
Anadig n	61417	13⅛	12⅛	12⅛	—
SiliconGph	61159	17⅝	16⅛	17⅝	+⅝
GTE	55720	52⅛	49¾	51⅞	+1
Boeing s	48898	55⅛	53⅝	54⅝	+⅛
AMD	46696	30⅝	29⅛	30⅛	-¾
UHltbCr	46149	53¾	51⅝	53⅝	+3⅝
MicronT	45322	37⅝	36⅛	37⅛	+⅝
Chrysler	44617	35	33⅞	34⅝	-⅜
DisSrv n	43421	18⅛	18	18⅛	—

Nasdaq

	Vol.	High	Low	Last	Chg.
RateSft	114078	15⅛	11½	11½	-3⅝
Intel s	119824	95	93⅝	94⅛	-⅜
3Com	96694	56⅛	54⅝	55⅝	+⅝
WorldCm	82871	36⅝	36	36⅛	-⅝
Microsft s	79335	139⅝	136⅛	138⅝	+1⅝
MCI	74765	34⅝	34⅛	34⅝	-⅛
TeleComA	65483	22⅛	21⅛	22⅛	+⅝
Ascend	63523	33⅝	32¼	33	-⅜
ConsEco	60281	⅝	⅝	⅝	+⅛
Cisco	58579	81½	80⅝	80⅝	-⅝
Applebee	56812	22⅛	21⅛	22⅛	-2⅝
DellCpt s	46989	100	98	98⅝	-⅛
ApldMat	46447	101⅞	97⅝	100⅞	+2⅞
ETrade	42134	36⅛	32⅛	35⅛	+1⅛
SemMic s	41465	46⅛	45⅝	45⅝	-⅛

AMEX

	Vol.	High	Low	Last	Chg.
XCL Ltd	166589	⅝	⅝	⅝	-⅛
SPDR	43494	98⅛	96⅝	97⅝	-⅝
MargGrp n	19338	5⅝	5⅛	5⅝	-1⅝
Hearx	16853	1⅝	1⅝	1⅝	—
TubMex	15954	30	28⅝	29⅝	+⅛
EchoBay	15224	5⅛	5⅛	5⅛	+⅛
Hasbro	13945	26⅝	25⅝	26	-⅛
TexBiotch	10210	6⅛	6⅛	6⅛	+⅛
ViacB	8535	31⅝	30⅝	31	-⅛
GST Tele	7965	17⅛	16⅛	16⅝	-⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	1004	1633
Declined	1942	1282
Unchanged	476	515
Total issues	3422	3430
New Highs	261	478
New Lows	18	11

Nasdaq

	Noon	Prev.
Advanced	1605	2319
Declined	1984	1991
Unchanged	1892	1409
Total issues	5481	5719
New Highs	224	480
New Lows	35	38

AMEX

	Close	Prev.
Advanced	261	334
Declined	339	271
Unchanged	163	162
Total issues	763	767
New Highs	67	93
New Lows	7	5

Market Sales

	Today 4:00	Prev. cons.
NYSE	563.06	674.14
Amex	41.85	58.60
Nasdaq	700.15	777.30

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
PugetSound	-	.336	10-20	11-15
STOCK SPLIT				
Darling Intl 3 for 1 split				
Vornado Realty 2 for 1 split.				
SPECIAL				
Allco Inc	-	.45	10-20	11-7
REDUCED				
Lincoln Natlinco	M	.26	10-20	10-31
INCREASED				
Canadian REIT g	M	.09	10-31	11-7
Chase Corp	A	.21	10-31	12-1
Walgreen	Q	.0625	11-17	12-12
REGULAR				
Allco Inc	A	.15	10-20	11-7
Associates 1st	Q	.10	11-3	12-1
Bard, CR	Q	.18	10-20	10-31
BickRck Broad	M	.075	10-15	10-31
CFB Capital I Inc	Q	.5547	10-14	10-15
CVS Corp	Q	.11	10-23	11-1
Caterpillar Inc	Q	.25	10-20	11-20
GPU Inc	Q	.50	10-31	11-26
Insured MuniInco	M	.064	10-16	10-31
Invest Grd	M	.075	10-16	10-31
Lance Inc	Q	.24	11-1	11-15
Lincoln NatIC	Q	.24	10-20	10-31
Managed HI	M	.105	10-16	10-31
Monocacy Bnch	Q	.11	10-14	10-28
New Amer Hilnco	M	.0425	10-17	10-31
Pacific CapBncp	Q	.165	11-17	12-1
Phila Suburban	Q	.2125	11-11	12-1
Pope & Talbot	Q	.19	11-5	11-17
Pfd Inco Fd	M	.087	10-24	10-31
Pfd Inco Mgmnt	M	.087	10-24	10-31
Pfd Inco Opportv	M	.073	10-24	10-31
Pub Svc NewM	Q	.17	11-3	11-21
Sears Roebuck	Q	.23	11-28	1-2
Seligman QualM	M	.0782	10-16	10-27
Seligman SelMuni	M	.07	10-16	10-27
Smith AO	Q	.17	10-31	11-17
Sun Co	Q	.25	11-10	12-10
2002 Target Trm	M	.0718	10-16	10-31

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Oct. 8, 1997

	High	Low	Latest	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Dec 97	285	277¼	282¼	+3	203,184
Mar 98	293½	285½	291½	+3	69,106
May 98	299	291½	297¼	+3	18,672
Jul 98	302	295	300¼	+2½	30,946
Sep 98	292	286½	291	+1¼	2,342
Dec 98	290	284	288½	+1½	19,669
Jul 99	300	295	300	+2¼	168
Est. sales N.A. Tue's sales 120,854					
Tue's open int 344,234, up 6,648					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Oct 97	219.40	213.50	217.90	+2.50	9,250
Dec 97	215.50	209.20	214.20	+3.20	43,680
Jan 98	214.00	208.00	213.30	+3.30	16,436
Mar 98	211.00	206.50	210.40	+3.90	16,225
May 98	210.00	204.50	209.60	+4.10	15,960
Jul 98	212.00	208.00	210.90	+2.70	9,459
Est. sales N.A. Tue's sales 33,114					
Tue's open int 114,552, off 223					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Oct 97	24.02	23.75	23.83	-0.15	2,478
Dec 97	24.42	24.06	24.15	-0.11	54,585
Jan 98	24.55	24.26	24.38	-0.02	19,495
Mar 98	24.73	24.48	24.59	+0.19	11,409
May 98	24.82	24.58	24.72	+0.02	6,809
Jul 98	24.92	24.65	24.87	+0.07	7,214
Est. sales N.A. Tue's sales 30,974					
Tue's open int 103,420, up 395					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Nov 97	670	657¼	667¼	+3¼	97,850
Jan 98	672½	660½	670¼	+4¼	34,228
Mar 98	680	667¼	677	+3½	16,728
May 98	685	675	683¼	+3¾	14,104
Jul 98	690½	680¼	687½	+1¾	12,335
Est. sales N.A. Tue's sales 96,607					
Tue's open int 180,236, up 2,231					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Dec 97	368	361½	362¾	-3	64,478
Mar 98	380	374½	375½	-3½	26,623
May 98	388	382	383¼	-2¼	5,271
Jul 98	390	384¼	386¼	-2¼	11,786
Est. sales N.A. Tue's sales 32,464					
Tue's open int 111,204, up 268					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Oct 97	66.60	66.27	66.57	+0.25	10,390
Dec 97	66.60	66.22	66.47	+0.25	43,611
Feb 98	69.27	68.92	69.22	+0.17	18,672
Apr 98	72.45	72.10	72.30	+0.15	11,414
Jun 98	69.45	69.05	69.25	+0.17	8,044
Aug 98	69.00	68.82	68.85	+0.10	2,819
Est. sales 11,582 Tue's sales 26,636					
Tue's open int 95,850, up 1,526					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Oct 97	76.70	76.30	76.27	-0.12	3,572
Nov 97	77.12	76.40	76.60	unch.	6,580
Jan 98	78.10	77.55	77.70	-0.05	3,836
Mar 98	77.90	77.38	77.52	unch.	2,139
Apr 98	78.25	77.80	77.92	-0.07	796
May 98	78.80	78.50	78.75	unch.	735
Est. sales 2,861 Tue's sales 5,774					
Tue's open int 17,809, off 417					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Oct 97	68.75	68.05	68.15	-0.52	6,974
Dec 97	62.90	61.97	62.05	-0.72	18,282
Feb 98	62.32	61.40	61.55	-0.80	6,476
Apr 98	59.30	58.75	58.80	-0.47	2,124
Jun 98	65.00	64.65	64.67	-0.10	1,431
Est. sales 6,945 Tue's sales 7,842					
Tue's open int 36,690, up 592					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 98	62.95	62.00	62.10	-0.50	4,058
Mar 98	62.75	62.00	62.10	-0.50	636
May 98	64.17	63.60	63.70	-0.62	136
Est. sales 1,365 Tue's sales 1,877					
Tue's open int 4,962, up 61					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Dec 97	1739	1704	1706	-19	45,388
Mar 98	1770	1735	1737	-18	25,500
May 98	1788	1751	1755	-18	11,974
Jul 98	1797	1771	1773	-18	3,767
Sep 98	1800	1789	1789	-18	4,693
Dec 98	1820	1805	1805	-18	9,081
Est. sales 8,201 Tue's sales 12,815					
Tue's open int 111,718, up 2,659					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Dec 97	170.50	161.25	167.00	+4.85	11,992
Mar 98	155.00	147.75	151.90	+2.40	6,770
May 98	148.00	144.00	146.75	+3.25	2,088
Jul 98	141.75	138.00	141.75	+3.50	2,231
Sep 98	137.00	137.00	137.00	+3.75	600
Est. sales 6,032 Tue's sales 9,927					
Tue's open int 24,066, off 413					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 98	11.91	11.72	11.90	+0.11	91,536
May 98	11.98	11.75	11.90	+0.08	22,578
Jul 98	11.77	11.63	11.77	+0.08	17,740
Oct 98	11.75	11.62	11.75	+0.09	14,632
Est. sales 16,423 Tue's sales 8,342					
Tue's open int 149,948, off 1,100					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Nov 97	73.60	72.25	72.55	-1.00	17,713
Jan 98	74.50	73.25	73.45	-1.05	11,303
Mar 98	79.30	78.20	78.40	-1.00	7,236
May 98	82.25	81.15	81.15	-1.00	1,723
Est. sales N.A. Tue's sales 2,200					
Tue's open int 39,099, up 80					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Oct 97	332.90	332.00	332.90	+1.90	146
Nov 97			333.80	+2.00	1
Dec 97	336.00	332.60	335.30	+2.00	96,290
Feb 98	337.40	334.50	336.50	+2.00	21,783
Apr 98	339.00	337.20	338.10	+2.00	5,924
Jun 98	340.30	339.00	339.90	+2.00	9,942
Aug 98			341.70	+2.00	4,664
Oct 98			343.60	+2.00	484
Dec 98	345.80	344.50	345.60	+2.00	8,597
Est. sales N.A. Tue's sales 19,182					
Tue's open int 182,549, up 199					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Oct 97	94.50	93.00	93.00	-0.70	1,829
Nov 97	94.90	93.75	93.75	-0.65	2,450
Dec 97	95.90	94.15	94.25	-0.60	27,949
Jan 98	95.20	94.55	94.55	-0.60	1,067
Feb 98			94.75	-0.80	1,122
Mar 98	95.70	95.00	95.00	-0.55	5,342
Apr 98			94.75	-0.60	1,001
May 98	95.50	94.75	94.75	-0.80	2,547
Jun 98			94.50	-0.90	965
Est. sales N.A. Tue's sales 5,420					
Tue's open int 51,545, off 65					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Oct 97	519.00	517.50	519.00	+2.80	1
Nov 97			521.20	+2.80	1
Dec 97	532.00	518.50	523.00	+2.30	74,074
Jan 98			524.40	+2.80	22
Mar 98	538.00	527.00	529.10	+2.60	17,401
May 98	537.00	532.10	532.10	+2.40	3,204
Jul 98			535.20	+2.20	2,642
Sep 98			538.40	+2.00	640
Est. sales N.A. Tue's sales 8,744					
Tue's open int 104,480, up 646					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Oct 97	437.00	429.00	435.00	+7.60	492
Jan 98	437.00	429.00	436.00	+8.60	12,210
Apr 98	429.50	425.00	429.50	+9.10	871
Jul 98			425.50	+9.10	4
Est. sales N.A. Tue's sales 1,301					
Tue's open int 13,577, off 221					

LONDON METALS (LME)
Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1619½	1620½	1635½	1636½
Forward	1636.00	1636½	1642.00	1643.00
Copper Cathodes (High Grade)				
Spot	2066.00	2067.00	2052.00	2054.00
Forward	2094.00	2095.00	2078.00	2080.00
Lead				
Spot	589.00	590.00	598½	599½
Forward	603.00	604.00	612.00	613.00
Nickel				
Spot	6580.00	6585.00	6545.00	6555.00
Forward	6680.00	6685.00	6650.00	6660.00
Tin				
Spot	5720.00	5730.00	5750.00	5755.00
Forward	5750.00	5760.00	5780.00	5785.00
Zinc (Special High Grade)				
Spot	1296.00	1297.00	1296.00	1297.00
Forward	1306.00	1307.00	1309.00	1310.00

	High	Low	Close	Chge	Opint
Financial					
US T BILLS (CMER) $1 million- pts of 100 pct.					
Dec 97	95.11	95.06	95.06	-0.04	5,216
Mar 98	95.10	95.08	95.08	-0.08	3,859
Jun 98			95.03	-0.10	159
Est. sales 274 Tue's sales 542					
Tue's open int 9,234, off 68					
5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Dec 97	108-15	107-28	107-32	- 40	234,021
Est. sales N.A. Tue's sales 27,969					
Tue's open int 234,694, off 1,039					
10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Dec 97	111-14	110-09	110-13	- 28	400,008
Mar 98	111-03	110-00	110-03	- 28	16,594
Jun 98			109-27	- 29	42
Est. sales N.A. Tue's sales 54,031					
Tue's open int 416,694, off 2,057					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Dec 97	117-24	115-22	115-28	-1 17	639,564
Mar 98	117-14	115-13	115-19	-1 18	58,157
Jun 98			115-07	-1 18	6,786
Sep 98			114-29	-1 18	1,956
Est. sales N.A. Tue's sales 362,577					
Tue's open int 751,189, up 8,203					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Dec 97	120-19	119-13	119-19	—1-01	197,528
Mar 98	120-15	120-14	119-18	—1-06	1,542
Est. sales: 111,748. Prev. sales: 87,422					
Prev. open int.: 199,070 up 2,092					
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Dec 97	103.74	103.22	103.29	—0.32	315,891
Mar 98	102.80	102.57	102.52	—0.32	9,075
Est. sales: 201,460. Prev. sales: 222,092					
Prev. open int.: 324,966 up 4,039					

	High	Low	Latest	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Dec 97	100.34	100.00	100.08	—0.06	152,182
Mar 98	99.72	99.60	99.50	—0.04	4,487
Jun 98	99.30	99.30	99.12	—0.06	0
Est. sales: 102,545.					
Open int.: 156,869 off 5,061.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Dec 97	113.12	112.45	112.53	—0.22	124,794
Mar 98	112.80	112.55	112.48	—0.22	1,334
Jun 98	N.T.	N.T.	112.48	—0.22	124128
Est. sales: 79,500. Prev. sales: 110,298					
Prev. open int.: 126,128 up 2,995					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
Oct 97	94.38	94.36	94.36	-0.01	24,545
Nov 97	94.37	94.33	94.34	-0.02	31,893
Dec 97	94.25	94.17	94.18	-0.06	9,893
Est. sales 12,384 Tue's sales 1,606					
Tue's open int 71,456, up 138					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Oct 97	94.28	94.24	94.25	-0.02	25,215
Nov 97	94.27	94.22	94.22	-0.04	13,034
Dec 97	94.26	94.18	94.19	-0.06	584,531
Mar 98	94.26	94.12	94.13	-0.11	444,357
Jun 98	94.21	94.05	94.06	-0.13	314,909
Sep 98	94.16	93.99	94.00	-0.13	361,231
Dec 98	94.06	93.89	93.91	-0.12	238,498
Mar 99	94.05	93.87	93.89	-0.13	151,521
Jun 99	94.00	93.83	93.84	-0.13	121,348
Sep 99	93.96	93.79	93.80	-0.13	99,195
Dec 99	93.89	93.72	93.73	-0.13	84,054
Mar 00	93.89	93.72	93.73	-0.13	70,594
Est. sales 934,915 Tue's sales 338,555					
Tue's open int 2,792,365, off 9,132					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Dec 97	1.6198	1.6120	1.6168	+0.0008	29,465
Mar 98	1.6130	1.6060	1.6106	-0.0012	248
Jun 98			1.6044	-0.0012	27
Est. sales 5,674 Tue's sales 9,396					
Tue's open int 29,740, up 332					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Dec 97	.7333	.7310	.7311	-0.0002	56,172
Mar 98	.7365	.7338	.7344	-0.0002	2,004
Jun 98	.7388	.7366	.7368	-0.0002	506
Est. sales 6,384 Tue's sales 12,649					
Tue's open int 58,958, up 2,142					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Dec 97	.5752	.5704	.5743	+0.0026	62,678
Mar 98	.5780	.5737	.5773	+0.0026	2,396
Jun 98			.5801	+0.0027	2,616
Est. sales 26,491 Tue's sales 32,503					
Tue's open int 67,792, up 2,811					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Dec 97	.8352	.8273	.8330	+0.0091	87,176
Mar 98	.8453	.8422	.8441	+0.0092	840
Jun 98			.8554	+0.0093	163
Est. sales 24,700 Tue's sales 15,301					
Tue's open int 88,180, up 5,689					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Dec 97	.6994	.6933	.6981	+0.0018	42,411
Mar 98	.7060	.7005	.7050	+0.0018	1,652
Jun 98			.7117	+0.0018	263
Est. sales 12,721 Tue's sales 17,379					
Tue's open int 44,432, up 3,015					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Dec 97	.12610	.12530	.12560	-.00191	25,245
Mar 98	.12180	.12125	.12142	-.00191	9,916
Jun 98	.11820	.11760	.11780	-.00191	2,120
Est. sales 5,600 Tue's sales 4,010					
Tue's open int 39,430, up 1,057					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Dec 97	92.58	92.54	92.54	—0.04	125,083
Mar 98	92.56	92.50	92.50	—0.05	104,834
Jun 98	92.58	92.51	92.51	—0.06	83,540
Sep 98	92.69	92.63	92.62	—0.06	69,154
Dec 98	92.84	92.76	92.76	—0.08	59,636
Mar 99	93.03	92.93	92.93	—0.10	54,554
Jun 99	93.20	93.09	93.09	—0.11	34,587
Est. sales: 100,918. Prev. sales: 81,194					
Prev. open int.: 621,840 off 2,973					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Oct 97	96.58	96.56	96.57	—0.01	9,899
Nov 97	96.50	96.50	96.50	Unch.	745
Dec 97	96.46	96.41	96.42	—0.03	312,100
Mar 98	96.22	96.18	96.18	—0.03	301,992
Jun 98	95.97	95.93	95.93	—0.03	256,309
Sep 98	95.79	95.74	95.75	—0.03	193,237
Dec 98	95.60	95.56	95.55	—0.04	160,084
Mar 99	95.44	95.39	95.39	—0.04	177,318
Jun 99	95.30	95.25	95.26	—0.04	76,757
Sep 99	95.18	95.13	95.13	—0.04	70,514
Est. sales: 144,293. Prev. sales: 162,511					
Prev. open int.: 1,692,402 up 6,348					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Dec 97	96.45	96.42	96.43	Unch.	45,262
Mar 98	96.22	96.19	96.20	Unch.	37,251
Jun 98	95.96	95.94	95.95	Unch.	27,217
Sep 98	95.78	95.75	95.76	—0.01	19,474
Dec 98	95.62	95.59	95.59	—0.01	25,713
Est. sales: 43,696.					
Open int.: 239,465 up 1,359.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Dec 97	93.86	93.74	93.80	—0.02	109,367
Mar 98	94.68	94.57	94.62	—0.01	104,890

	High	Low	Latest	Chge	Opint
Jun 98	95.16	95.07	95.07	—0.06	92,507
Sep 98	95.26	95.16	95.16	—0.06	62,316
Dec 98	95.24	95.15	95.15	—0.05	50,349
Mar 99	95.13	95.04	95.05	—0.03	26,512
Est. sales: 80,740. Prev. sales: 129,728					
Prev. open int.: 463,594 up 16,923					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Dec 97	71.57	71.21	71.38	+0.19	50,255
Mar 98	72.95	72.68	72.80	+0.20	15,506
May 98	73.75	73.50	73.63	+0.18	7,962
Jul 98	74.55	74.30	74.40	+0.17	7,063
Oct 98	75.65	75.30	75.30	+0.23	769
Est. sales N.A. Tue's sales 10,242					
Tue's open int 90,200, off 46					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Nov 97	60.70	59.40	60.16	+0.56	47,698
Dec 97	61.70	60.50	61.26	+0.56	36,193
Jan 98	62.10	61.05	61.76	+0.56	22,105
Feb 98	62.20	61.05	61.86	+0.51	11,166
Mar 98	61.10	60.30	60.86	+0.26	7,980
Apr 98	59.05	58.20	58.86	+0.51	5,083
May 98	57.26	57.20	57.26	+0.51	3,350
Est. sales N.A. Tue's sales 26,894					
Tue's open int 144,216, off 719					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Nov 97	22.34	21.77	22.18	+0.22	96,249
Dec 97	22.30	21.77	22.13	+0.18	89,818
Jan 98	22.15	21.65	21.97	+0.16	45,977
Feb 98	21.90	21.50	21.76	+0.13	25,508
Mar 98	21.68	21.34	21.57	+0.11	14,290
Apr 98	21.47	21.22	21.40	+0.10	11,214
Est. sales N.A. Tue's sales 107,979					
Tue's open int 437,785, up 1,688					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Nov 97	2.960	2.840	2.930	+0.043	50,190
Dec 97	3.050	2.940	3.010	+0.029	34,466
Jan 98	3.020	2.930	2.985	+0.030	27,213
Feb 98	2.710	2.630	2.675	+0.025	19,318
Mar 98	2.490	2.430	2.465	+0.020	12,904
Apr 98	2.275	2.235	2.270	+0.030	8,168
Est. sales N.A. Tue's sales 60,712					
Tue's open int 232,736, off 201					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Nov 97	61.90	60.30	61.50	+0.59	41,138
Dec 97	61.75	60.05	61.46	+0.58	17,133
Jan 98	61.75	60.10	61.54	+0.65	15,449
Feb 98	61.85	61.35	61.71	+0.67	5,366
Mar 98	62.16	61.35	62.16	+0.72	3,545
Apr 98	64.61	64.50	64.61	+0.72	3,742
May 98	64.31	62.70	64.31	+0.61	2,675
Jun 98			63.56	+0.72	1,264
Est. sales N.A. Tue's sales 23,015					
Tue's open int 96,453, up 556					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Oct 97	186.25	183.00	185.50	+1.00	15,015
Nov 97	187.75	184.50	187.00	+0.50	33,826
Dec 97	188.50	186.25	188.25	+0.75	18,004
Jan 98	189.75	187.50	189.50	+0.75	14,733
Feb 98	188.25	188.25	189.25	+0.75	7,462
Mar 98	186.50	186.50	186.00	+0.75	5,128
Apr 98	N.T.	N.T.	182.75	+0.75	2,421
Est. sales: 20,000. Prev. sales: 24,797					
Prev. open int.: 109,286 off 650					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Nov97	21.00	20.45	20.82	+0.13	52,092
Dec97	20.95	20.46	20.80	+0.17	48,973
Jan98	20.84	20.38	20.68	+0.17	30,177
Feb98	20.66	20.26	20.52	+0.14	12,806
Mar 98	20.45	20.13	20.34	+0.14	5,544
Apr 98	20.22	19.97	20.17	+0.15	2,641
Est. sales: 62,250. Prev. sales: 48,171					
Prev. open int.: 166,758 off 164					
Stock Indexes					
SP COMP INDEX (CMER) 500 x index					
Dec 97	991.00	974.90	981.25	-8.35	189,460
Mar 98	1001.00	985.50	992.00	-8.10	3,295
Jun 98	1003.20	1003.20	1003.20	-7.40	908
Est. sales N.A. Tue's sales 55,611					
Tue's open int 194,165, up 3,100					
FTSE 100 (LIFFE) £25 per index point					
Dec 97	5450.0	5402.0	5399.0	—88.0	72,268
Mar 98	5497.0	5461.0	5348.0	—87.0	1,968
Est. sales: 11,781. Prev. sales: 10,665					
Prev. open int.: 74,236 up 1,478					
CAC 40 (MATIF) FF200 per index point					
Oct 97	3093.0	3012.0	3028.0	—43.0	31,764
Nov 97	3096.0	3056.0	3036.0	—43.0	7,649
Dec 97	3106.5	3042.0	3043.5	—43.5	16,926
Est. sales: 15,059.					
Open int.: 80,561 off 739.					

Commodity Indexes

	Close	Previous
Moody's	1,532.10	1,527.80
Reuters	1,889.90	1,887.30
D.J. Futures	146.94	146.26
CRB	246.77	245.65

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

مكتبة من الاصل

Greenspan And German Rate Report Hit Dollar

صورة من الاصل

EUROPE

Thomson-CSF Issues a Profit Warning

Compiled by Our Staff From Dispatches

PARIS — Thomson-CSF, which may hear a government decision on its privatization as early as next week said Wednesday its net profit jumped 39 percent in the first half of the year.

But the state-controlled defense-electronics company warned that tougher competition and continued defense cuts in Europe will put pressure on its future performance.

It is this wider question of the future of the French and European defense industry that is causing the government problems in deciding how best to reduce its stake in Thomson-CSF while leaving it better equipped to cope with a rapidly changing sector.

The maker of radar, missile-guidance and satellite technology earned 551 million francs ($93.4 million), up from 396 million francs a year earlier. Earnings for the year will rise "strongly" because of a 2.5 billion-franc capital gain from last month's sale of shares in SGS-Thomson, a semiconductor maker, the company said.

Earnings of European defense companies have shrunk in recent years amid declining orders from governments. Thomson-CSF said its European sales outside France exceeded sales in its home market for the first time in its history. That is likely to add to the pressure on the French government to merge Thomson-CSF with other French defense companies.

The company said in a statement that further reorganization efforts were "essential to the company's competitiveness, in the face of intensifying international competition."

The six-months results were encouraging after a turbulent 18 months during which the company was all but sold twice by the conservative government of Prime Minister Alain Juppe, then was taken back halfway through the bidding process after the Socialist government of Prime Minister Lionel Jospin came to power in June.

Since then, the government has been trying to find a solution that would leave it as the largest shareholder while bringing in partners with complementary activities in the defense sector.

A decision had been promised by the end of September, but government and industry sources said this week that because of the complex issues involved, no announcement was expected before next week.

(AFP, Bloomberg)

■ Publisher's Earnings Fall

Hachette Filipacchi Medias SA, one of the world's biggest magazine publishers, said first-half earnings fell 6.9 percent and put part of the blame on higher corporate taxes, Bloomberg News reported.

The company, formed this year by the merger of the Lagardere SCA unit Hachette with Filipacchi Medias, earned 182.4 million francs in the period. It did not give comparable figures for the first six months of 1996, nor any details on its taxes.

The publisher of Elle and Car & Driver magazines said it expected full-year earnings to be "slightly higher" than last year.

"The second half looks more favorable, even with threats of a new increase in paper prices," it said.

To comply with media-concentration laws in France, the company also said it had put its Parisian radio station Chante France up for sale. It is also considering selling shares in its Vortex unit, which runs the Skyrock radio network, on the market.

2 Telecoms See a Net In the Old Wall Plug

Reuters

LONDON — Northern Telecom Ltd. of Canada and Norweb Communications Ltd. of Britain unveiled new technology Wednesday that will allow reliable, low-cost, high-speed access to the Internet computer network through the domestic electricity grid.

In a move heralding the first competition between electricity companies and telecommunications carriers, the two companies said their patented technology would allow power firms to convert their infrastructures into information access networks.

Having "fixed the fuzz" of electrical interference on power lines, the companies said they could shunt data — and possibly voice — over power lines into the home at up to 1 megabit per second. This is up to 10 times faster than ISDN, the fastest currently available speed for domestic users.

Although slower than ADSL technology being developed by British Telecommunications PLC, Norweb and Nortel's technology is cheaper to install.

Consumers would need the equipment developed by Nortel and Norweb — an extra card for personal computers, some software to handle subscription, security and authentication services and a small box that is installed next to the electricity meter. This will send and receive data and is in turn linked to a personal computer through an ordinary coaxial cable.

Peter Dudley, vice president of Nortel, said the groups had had an "absolutely spectacular" amount of interest from electricity companies in Britain and abroad who are keen to offer the service to consumers.

Norweb hopes to attract around 200 customers in a marketing pilot in England in the second quarter of 1998.

Norway Finds a Major Gas Field

Bloomberg News

OSLO — The government said Wednesday that a natural-gas discovery in waters off Norway's country's northwestern coast could contain as much as 300 billion cubic meters (392 billion cubic yards) of gas, which would have been enough to meet all of Continental Europe's needs last year.

Drilling by Norsk Hydro A/S has confirmed that the field holds 100 billion cubic meters that can be extracted, it said, and further work may confirm the full potential of 300 billion cubic meters.

If the field yields the full amount, Norway's proven reserves would be increased by 20 percent. When production starts, possibly as early as 2005, the gas is likely to secure Norway's position as Europe's largest exporter of natural gas.

"Norway never ceases to amaze me, the potential is so vast," said Howard Marshall, manager of oil and gas research with Robert Fleming Securities Ltd. in London. "It's unfortunate that it's gas, but it's only a matter of time before they hit a big oil field too."

Norway exports its gas mainly to Germany, Britain, France, Italy and the Benelux countries. It opened a new pipeline to France about two months ago.

The Norwegian government has been managing oil and gas development in the hopes of providing sustained supplies into the next century, rather than sprinting to develop as much potential oil-bearing land as possible, as many feel that Britain has done. As a result, and with the help of new technology, promising areas such as the Norwegian Sea are only now being opened to oil and gas extraction.

Wendy Anderson, an energy analyst at Lehman Brothers, called the find "significant."

Shopping On the Net In Germany

Reuters

FRANKFURT — Deutsche Bank AG said Wednesday it would begin a market test of a "virtual shopping" project that the bank has been testing internally since late last year.

It would be the first test in Germany of consumer readiness to buy goods and services over the Internet using an electronic form of currency, and some said it could be a welcome alternative to the country's still restrictive shopping hours.

In the test, about 1,500 Deutsche Bank customers are to be allowed to choose goods and services from about 35 suppliers of goods and services on the Internet, the worldwide computer network.

Using software provided by the bank, customers will be able to open an "electronic purse" and use it to buy goods around the clock. Deutsche Bank said it had installed security procedures to protect customers and the system against unauthorized use. It said the test phase would run through the end of January.

SAir Group Snaps Up BA's Catering Units

Bloomberg News

ZURICH — SAir Group, the operator of Swissair AG, said Wednesday that its catering division had agreed to buy British Airways PLC's catering units for £65 million ($105.5 million) as part of an expansion strategy.

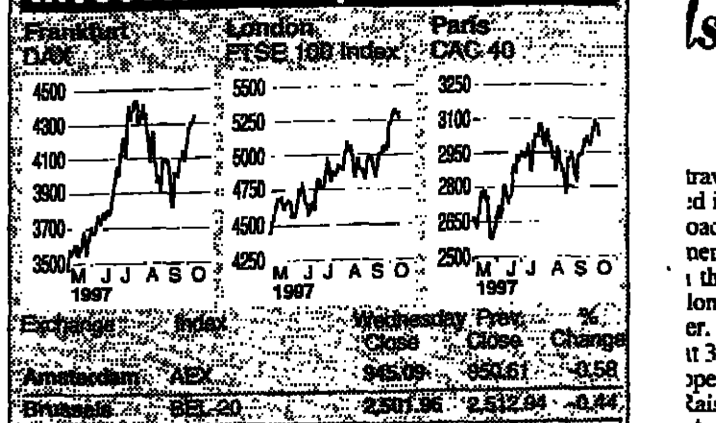
SAir said it expected the acquisition to be completed by year-end. British Airways is selling its catering operations at Heathrow airport and is awarding SAir's Gate Gourmet unit a 10-year contract to cater for BA.

The chief executive of SAir Group, Philippe Bruggisser, called the acquisition an "important strategic move" that showed the company's commitment to "broadening its activities and strengthening its travel-related business."

Gate Gourmet is part of SAir Relations, which agreed this year to buy U.K.-based European Rail Catering. In March, SAir Relations, which posted sales of 2.6 billion Swiss francs ($1.8 billion) in 1996, also bought the Belgium-based Restobel/Restorail catering group.

SAir Group said in April that its 1996 operating profit rose 100 million francs, to 344 million francs, because of acquisitions in the SAir Relations division. The airline group had been posting losses for several years. The acquisition includes BA's long-haul catering operations at Heathrow, which has 1,200 employees, and its short-haul catering unit.

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	AEX	945.09	950.61	-0.58
Brussels	BEL-20	2,501.96	2,512.94	-0.44
Frankfurt	DAX	4,347.24	4,307.39	+0.93
Copenhagen	Stock Market	655.43	658.40	-0.45
Helsinki	HEX General	3,851.70	3,823.14	+0.75
Oslo	OBX	728.06	731.34	-0.45
London	FTSE 100	5,262.10	5,305.60	-0.82
Madrid	Stock Exchange	614.14	624.28	-1.62
Milan	MIBTEL	15517	15431	+0.56
Paris	CAC 40	3,024.68	3,064.42	-1.30
Stockholm	SX 16	3,572.81	3,582.48	-0.27
Vienna	ATX	1,440.21	1,440.64	-0.03
Zurich	SPI	3,716.34	3,732.10	-0.42

Source: Telekurs International Herald Tribune

Very briefly:

- **Federal Express Corp.** will add 100 jobs at the Frankfurt airport, where the second-biggest U.S. express-package company is building a European hub.
- **Dexia SA**, the French-Belgian bank that was created by last year's merger of Credit Local de France SA and Credit Communal de Belgique SA, said its first-half profit rose 23 percent, to 2.1 billion French francs ($356 million), as it increased loans to finance public-works contracts.
- **The European Commission** plans to close its inquiry into subsidies for **Credit Lyonnais SA**, the ailing French bank, by the end of the year; the commission said Credit Lyonnais had received roughly 100 billion francs in state aid, more than twice the 45 billion francs originally authorized by the EU two years ago.
- **Electricite de France**, the state-owned utility, said it would buy a 55 percent stake in **Elektrocieplownia Krakow SA** of Poland for $79.75 million.
- **SAP AG of Germany and Microsoft Corp.** said they were collaborating closely and jointly demonstrated a piece of software designed to facilitate Internet commerce.
- **Russia's** first deputy prime minister, Boris Nemtsov, said visa problems suffered by the American chief of Russia's largest investment bank were due to rivalries between banks and would soon be settled.
- **Allianz AG** announced plans to expand its asset-management business with a fully owned investment-funds unit, marking its first direct step into traditional banking territory.
- **Arabsat**, an Arab satellite operator, agreed to lease transmission time to France's TV5 channel to prepare "special programs that conform with Arab and Islamic codes of conduct."
- **Electrolux AB** said it would close its freezer factory in Hungary as part of a restructuring plan. *Bloomberg, Reuters, AFX*

WORLD STOCK MARKETS

Wednesday, Oct. 8
Prices in local currencies.
Telekurs

Amsterdam
AEX index: 945.09 Previous: 950.61

	High	Low	Close	Prev.
ABN-AMRO	43.90	42.40	42.80	42.50
Aegon	171	166.30	167	171.20
Ahold	57.20	55	55.50	55.40
Akzo Nobel	377.60	370	371	370.20
Baan Co.	152.90	149.10	149.10	150
Bols Wess cva	37.20	35.80	36	37
CSM cva	95	93.50	93.50	95.10
Dordtsche Pet	118.70	115.50	116	116.30
DSM	201	197.50	197.60	196.50
Elsevier	28.80	28.20	28.30	28.30
Fortis Amev	91	86.80	87.40	90.50
Getronics	72.10	70.20	70.80	70.80
G-Broc cva	56.80	56	56.10	55.70
Hagemeyer	104.30	102.20	102.60	102.40
Heineken	349.80	345.20	347.50	347.10
Hoogovens cva	129.40	125.20	126	127.80
Hunt Douglas	89.80	88.80	89	89.20
ING Group	97.90	96	96.20	97.30
KLM	76.70	74.70	75.30	74.80
KNP BT	54	53.10	53.40	53.40
KPN	77.30	75.80	76.40	76.10
Nedlloyd Gp	71.10	69.50	70.30	69.90
Nutricia	61.50	60.40	61.10	60.80
Oce Grinten	259.80	256	256.70	255
Philips Elec	171.50	167.50	168	166.90
Polygram	122.60	120.30	121.20	122.10
Randstad Hdg	83	82	82.10	82.50
Robeco	198.60	198.30	198.60	194.70
Rodamco	61.80	61.50	61.70	61.40
Rolinco	199	197.70	197.70	196.60
Rorento	119.20	118.90	119.20	118.70
Royal Dutch	117.70	114	114.90	115.50
Unilever cva	445.70	437.60	438	441
Vendex Intl	117	114.80	114.80	116.60
VNU	47.80	46.10	46.90	46.40
Wolters Kl cva	266	261.90	261.90	264

Bangkok
SET index: 534.61 Previous: 531.57

	High	Low	Close	Prev.
Adv Info Ser	250	240	240	242
Bangkok Bk F	169	159	161	161
Krung Thai Bk	22	20.75	21.50	22
PTT Explor	406	392	400	394
Siam Cement F	544	520	524	544
Siam Com Bk F	98	96.50	97.50	97.50
Telecomasia	29	28.25	28.75	28.75
Thai Airways	55	51	51.50	55
Thai Farm Bk F	109	103	106	106
Utd Comm	108	103	107	109

Bombay
Sensex 30 index: 3930.22 Previous: 3909.46

	High	Low	Close	Prev.
Bajaj Auto	585.50	576	579	575.50
Hindust Lever	1368.25	1356.25	1357	1358.50
Hindust Petm	488.25	481	486.75	479.75
Indl Dev Bk	103	101.50	102.50	101.25
ITC	579.50	572	577.50	574.50
Mahanagar Tel	270.25	266.75	269.75	268
Reliance Ind	284	282.25	282	282.75
State Bk India	271	267.50	268.75	269.50
Steel Authority	16.25	15.50	15.50	16
Tata Eng Loco	332	327	330.75	332.75

Brussels
BEL-20 index: 2501.96 Previous: 2512.94

	High	Low	Close	Prev.
Almanij	1695	1665	1680	1675
Barco Ind	7700	7600	7670	7700
BBL	9460	9210	9380	9410
CBR	3310	3210	3290	3240
Colruyt	20075	19650	20050	19900
Delhaize Lion	1865	1780	1815	1835
Electrabel	7690	7630	7630	7660
Electrafina	3550	3525	3525	3535
Fortis AG	7830	7610	7730	7780
Gevaert	1675	1650	1660	1650
GIB	5850	5760	5800	5810
Gen Banque	15075	14975	15025	15025
Kredietbank	15925	15775	15900	15850
Petrofina	14925	14700	14750	14800
Powerfin	5040	5000	5020	5010
Royale Belge	10400	9910	10050	10425
Soc Gen Belg	3540	3405	3405	3570
Solvay	2250	2205	2225	2230
Tractebel	15125	15050	15050	15075
UCB	139700	138000	139200	138800

Copenhagen
Stock index: 655.43 Previous: 658.40

	High	Low	Close	Prev.
BG Bank	405	390	401.75	395
Carlsberg B	385	374	377	380
Codan Fors	990	975	990	995
Danisco	394	380	382	387
Den Danske Bk	725	715	718	720
D/S Svendborg B	475000	460000	464000	480000
D/S 1912 B	340000	330000	330000	330000
FLS Ind B	200	197	198.50	195.41
GN Store Nord	810	795	805	800
Novo Nordisk B	770	752	765	755
Sophus Ber B	1086	1069	1080	1080
Tele Danmk B	361.75	349	355	349.15
Tryg Baltica	430.42	413	420	415.41
Unidanmark A	463	441	447	444

Frankfurt
DAX: 4347.24 Previous: 4307.39

	High	Low	Close	Prev.
AMB B	175	173	174	175
Adidas	244	238.10	244	240
Allianz Hdg	464	456	465	452
Altana	130.50	129.50	129.50	130.50
Bk Berlin	49.88	48.70	49.95	49.99
BASF	67.90	66.55	67.70	65.40
Bay Hypo Bk	85.15	82.75	83.90	85
Bay Vereinsbank	109.70	106.80	107	109.50
Bayer	74.85	72.30	73.85	73.80
Beiersdorf	92	90.50	91.90	84
Bilfinger	41.80	40.80	41.80	40.30
BMW	1465	1430	1455	1447
CKAG Colonia	161	160	160	160.20
Commerzbank	67.50	65.70	66.90	67
Daimler Benz	142	139.70	140.70	142.55
Degussa	94.50	93.50	94.50	97
Deutsche Bank	130.80	129.40	130.80	128.75
Deut Telekom	34.30	33.60	33.80	34.90
Dresdner Bank	84.10	83.50	84.10	82.30
Fresenius	309	298	299	300
Fresenius Med	133.50	130	133.20	127
Fried. Krupp	374	364	365	365
Gehe	96.90	96	96.80	95.30
Heidelbg Zmt	158.50	158	158	157.50
Henkel pfd	109.20	106.70	108.60	106
HEW	478	478	478	478
Hochtief	80.50	78.70	80	79.70
Hoechst	80.50	79.65	80.20	79.60
Karstadt	630	624	625	630
Lahmeyer	98.95	97	97	99
Linde	1295	1260	1285	1281
Lufthansa R	36.50	36.10	36.50	35.75
MAN	572	565	567	575
Mannesmann	852.50	845	850	849.50
Metallgesellschaft	40	39.65	39.70	40
Metro	88.80	87.90	88.35	87.40
Munch Rueck R	642	632	637.50	634
Preussag	523	518	522	515.50
RWE	91.25	89.20	91.25	88.20
SAP pfd	495	491	495	485.50
Schering	190	188.70	189.90	187.80
SGL Carbon	265	264	264.60	264
Siemens	122.80	121.50	122.30	120
Springer (Axel)	1500	1500	1500	1500
Suedzucker	934	910	910	905
Thyssen	424.80	423	424.50	417.80
Veba	109.60	108.90	109.30	107.10
VEW	595	570	595	580
Viag	840	835	836.40	824
Volkswagen	1278.50	1256	1278.50	1285

Helsinki
HEX General index: 3851.70 Previous: 3823.14

	High	Low	Close	Prev.
Enso A	56.50	54.50	54.60	53
Huhtamaki I	205	204	204	204.50
Kemira	57.40	54.80	57.20	54.40
Kesko	74.50	73.50	74	74
Merita A	27	26.50	26.70	26.70
Metra B	155	153.50	154	154
Metso-Serla B	50	49	49.50	48.50
Neste	137	135	135.50	135
Nokia A	545	528	529	524
Orion-Yhtymae	188	185	185	184.50
Outokumpu A	97.80	95	97	95.50
UPM-Kymmene	150.80	148.50	150.50	149.50
Valmet	98	96.20	98	97

Hong Kong
Hang Seng: 14838.52 Previous: 14810.44

	High	Low	Close	Prev.
Amoy Props	8.55	8.40	8.50	8.45
Bk East Asia	27.95	27.60	27.70	27.70
Cathay Pacific	10.55	10.15	10.15	10.45
Cheung Kong	86	83.75	85	84.25
CK Infrastruct	22.95	22.45	22.80	22.10
China Light	41	40.30	40.60	41
Citic Pacific	43.40	42.50	42.90	42.70
Dao Heng Bk	34.40	34.20	34.20	34.20
First Pacific	8.05	7.75	7.95	8
Hang Lung Dev	14.80	14.55	14.75	14.55
Hang Seng Bk	93.25	92	92.50	92.25
Henderson Inv	8.55	8.40	8.40	8.45
Henderson Ld	66.50	65	66.25	66.25
HK China Gas	15.55	15.20	15.50	15.30
HK Electric	29	28.75	29	29
HK Telecomm	18.40	17.95	18.10	18.20
Hopewell Hdgs	4.43	4.28	4.40	4.33
HSBC Hdgs	259	253	257	256
Hutchison Wh	74.25	73	73.75	73.50
Hysan Dev	22.55	22.30	22.50	22.25
Johnson El Hdg	21.40	21.10	21.40	21.10
Kerry Props	18.20	17.90	18	18.20
New World Dev	47.60	46.60	47	46.80
Oriental Press	2.55	2.50	2.50	2.50
Pearl Oriental	1.02	1	1.02	1.01
SHK Props	94.25	92.75	94.25	93
Shun Tak Hdgs	4.93	4.80	4.88	4.80
Sino Land Co.	7.15	7	7.10	7.10
Sth China Post	7	6.60	6.90	6.60
Swire Pac A	58.75	57.50	58.25	57
Wharf Hdgs	27.55	27.30	27.45	27.45
Wheelock	15.70	15.35	15.55	15.35

Jakarta
Composite index: 518.94 Previous: 513.95

	High	Low	Close	Prev.
Astra Intl	2425	2175	2400	2200
Bk Intl Indon	775	725	750	725
Bk Negara	775	725	750	725
Gudang Garm	9550	9250	9500	9350
Indocement	2150	2075	2150	2150
Indofood	3950	3600	3950	3825
Indosat	9500	9100	9475	9025
Sampoerna	5550	5400	5475	5400
Semen Gresik	2800	2650	2775	2775
Telekomunikasi	3700	3600	3625	3550

Johannesburg
All Market: 7294.57 Previous: 7242.11

	High	Low	Close	Prev.
ABSA Group	32.10	31.40	32	31.80
AngloAm Coal	282	280.75	282	280
AngloAm Corp	261	256.50	258.50	256
AngloAm Gold	263	257	263	259
AngloAm Ind	177.75	176	176.25	177.75
AngloAm Plat	83	82.25	83	82.25
AVMIN	12	11.95	12	11.95
Barlow	54.75	54	54.25	53.50
C.G. Smith	23.30	23	23	23.05
De Beers	142.50	140	142.50	140
Driefontein	32	31	31.95	31
Fst Natl Bk	41	39.05	40.50	39
Gencor	11.25	11.15	11.25	11.20
GFSA	98	97	97	97
Imperial Hdgs	64.50	62.75	64	64.50
Ingwe Coal	24.70	24	24.70	22.75
Iscor	3.07	3.02	3.03	3.07
Johnnies Indl	64	63	63.50	63.25
Liberty Hdgs	356.50	354	355	355
Liberty Life	137	134.95	136.25	136.25
LibLife Strat	17.30	16.70	16.70	16.60
Minorco	105.50	104.75	105.25	105.50
Nampak	19	18.75	18.75	18.80
Nedcor	102.75	100.75	102.25	100.50
Rembrandt Gp	46.75	45.50	46	46
Richemont	62.50	62.25	62.25	62.25
SA Breweries	140.75	139.75	139.75	140
Samancor	37.50	37.25	37.25	36.75
Sasol	65.75	65.25	65.25	65
SBIC	208	206.25	207.75	206.25
Tiger Oats	71	70	70.50	69.75

Kuala Lumpur
Composite: 826.60 Previous: 803.45

	High	Low	Close	Prev.
AMMB Hdgs	8.75	8.35	8.50	8.35
Genting	10.30	10	10	9.95
Mal Banking	17.70	16.40	17.30	16.40
Mal Intl Ship F	6.70	6.40	6.60	6.40
Petronas Gas	10.40	10.10	10.10	10
Proton	9.15	8.80	8.80	8.80
Public Bk	2.69	2.59	2.60	2.57
Renong	3.24	3.16	3.18	3.22
Resorts World	7.15	7	7.05	7
Rothmans PM	27.50	26.75	27	26.75
Sime Darby	7.15	6.50	7	6.45
Telekom Mal	10.50	10	10.30	9.95
Tenaga	9.25	8.30	9.20	8.30
Utd Engineers	11.70	10.60	11.40	10.50
YTL	4.46	4.16	4.36	4.10

London
FT-SE 100: 5262.10 Previous: 5305.60

	High	Low	Close	Prev.
Abbey Natl	9.62	9.13	9.28	9.47
Allied Domecq	4.99	4.84	4.86	4.93
Anglian Water	8.37	8.25	8.32	8.24
Argos	6.74	6.53	6.58	6.79
Asda Group	1.65	1.59	1.62	1.58
Assoc Br Foods	5.47	5.40	5.40	5.41
BAA	5.95	5.81	5.91	5.82
Barclays	17.15	16.15	16.48	16.92
Bass	8.49	8.35	8.38	8.39
BAT Ind	5.62	5.43	5.46	5.55
Bank Scotland	5.21	4.93	5	5.22
Blue Circle	3.95	3.76	3.90	3.76
BOC Group	11.13	10.95	10.99	11.08
Boots	9.17	9.03	9.07	9.03
BPB Ind	3.67	3.57	3.57	3.62
Brit Aerosp	18	17.35	17.42	17.94
Brit Airways	6.68	6.45	6.48	6.65
BG	2.73	2.63	2.66	2.68
Brit Land	7.38	6.98	7.35	7.03
Brit Petm	9.34	9.20	9.26	9.39
BSkyB	4.68	4.53	4.57	4.64
Brit Steel	1.82	1.77	1.81	1.80
Brit Telecom	4.51	4.41	4.45	4.52
BTR	2.44	2.36	2.38	2.43
Burmah Castrol	11.12	10.92	10.93	11.08
Burton Gp	1.36	1.34	1.36	1.34
Cable Wireless	5.63	5.50	5.58	5.75
Cadbury Schw	6.26	6.10	6.15	6.11
Carlton Comm	5.50	5.34	5.42	5.41
Comml Union	8.04	7.82	7.88	7.97
Compass Gp	6.95	6.88	6.89	6.92
Courtaulds	3.37	3.30	3.31	3.35
Dixons	6.86	6.62	6.68	6.72
Electrocomponents	5.05	4.96	5	4.98
EMI Group	6.02	5.88	5.97	6.01
Energy Group	6.54	6.44	6.53	6.48
Enterprise Oil	7.02	6.90	6.93	6.89
Fam Colonial	1.84	1.82	1.83	1.82
Genl Accident	11.40	11.16	11.16	11.24
GEC	4.05	3.89	3.91	4.03
GKN	14.55	14.20	14.40	14.27
Glaxo Wellcome	14.17	13.80	13.89	14
Granada Gp	8.96	8.74	8.87	8.80
Grand Met	5.97	5.86	5.89	5.87
GRE	3.35	3.23	3.28	3.27
Greenalls Gp	3.90	3.75	3.78	3.78
Guinness	5.94	5.79	5.91	5.88
GUS	7.27	7.15	7.15	7.19
Hays	7.11	7.02	7.07	7.02
HSBC Hldgs	20.60	19.80	19.97	20.39
ICI	10.12	9.88	9.94	10.06
Impl Tobacco	3.75	3.68	3.68	3.73
Kingfisher	8.55	8.38	8.50	8.47
Ladbroke	3.10	2.93	3.07	2.91
Land Sec	10.75	10.29	10.57	10.57
Lasmo	2.87	2.82	2.85	2.81
Legal Genl Grp	5.11	4.91	5.07	4.92
Lloyds TSB Gp	8.30	7.80	7.91	8.07
LucasVarity	2.34	2.25	2.30	2.34
Marks Spencer	6.55	6.28	6.34	6.48
MEPC	5.52	5.43	5.48	5.45
Mercury Asset	13.60	13.40	13.52	13.55
National Grid	2.92	2.82	2.88	2.83
Natl Power	5.61	5.47	5.50	5.59
NatWest	10.03	9.67	9.74	9.86
Next	7.67	7.40	7.57	7.36
Norwich Union	3.55	3.19	3.50	3.40
Orange	2.38	2.34	2.35	2.38
P&O	7.22	6.98	7.12	6.97
Pearson	8.36	8.10	8.14	8.21
Pilkington	1.59	1.56	1.59	1.57
PowerGen	7.67	7.55	7.55	7.67
Premier Farnell	5.42	5.31	5.38	5.38
Prudential	7.05	6.87	6.92	6.89
Railtrack Gp	9.93	9.42	9.76	9.29
Rank Group	3.57	3.43	3.48	3.54
Reckitt Colm	10.55	10.12	10.20	10.71
Redland	2.53	2.46	2.48	2.47
Reed Intl	5.36	5.20	5.27	5.32
Rentokil Initial	2.63	2.57	2.58	2.58
Reuters Hdgs	7.82	7.62	7.64	7.54
Rexam	3.27	3.20	3.20	3.25
RTZ reg	9.91	9.73	9.82	9.85
RMC Group	10.15	9.94	9.96	10.11
Rolls Royce	2.40	2.30	2.36	2.39
Royal Bk Scot	6.95	6.80	6.95	6.82
Royal & Sun All	6.42	6.24	6.26	6.11
Safeway	3.85	3.73	3.76	3.79
Sainsbury	4.73	4.62	4.65	4.61
Schroders	20.30	20.05	20.23	20.15
Scot Newcastle	7.28	7.15	7.26	7.22
Scot Power	4.85	4.69	4.77	4.84
Securicor	2.88	2.80	2.84	2.78
Severn Trent	9.33	9.23	9.31	9.27
Shell Transp R	4.89	4.67	4.69	4.82
Siebe	13.25	12.98	13.15	12.99
Smith Nephew	1.91	1.88	1.89	1.88
SmithKline	6.28	6	6.07	6.07
Smiths Ind	9.60	9.38	9.46	9.40
Sthern Elec	4.80	4.75	4.80	4.79
Stagecoach	6.79	6.65	6.74	6.68
Stand Charter	8.47	8.04	8.29	8.20
Tate & Lyle	4.59	4.51	4.59	4.51
Tesco	4.72	4.61	4.65	4.61
Thames Water	8.86	8.70	8.74	8.82
3i Group	5.22	5.14	5.22	5.20
TI Group	6.80	6.70	6.78	6.77
Tomkins	3.33	3.25	3.31	3.27
Unilever	19.25	18.95	19.09	18.94
Utd Assurance	5	4.95	5	4.95
Utd News	7.98	7.85	7.85	7.92
Utd Utilities	7.70	7.50	7.50	7.56
Vendome Lx uts	4.47	4.43	4.47	4.46
Vodafone	3.48	3.40	3.42	3.44
Whitbread	8.02	7.91	8.01	7.99
Williams Hdgs	3.73	3.66	3.70	3.67
Wolseley	5.48	5.11	5.35	5.13
WPP Group	2.88	2.85	2.85	2.89
Zeneca	21.57	21	21.08	21.19

Madrid
Bolsa index: 614.14 Previous: 624.28

	High	Low	Close	Prev.
Acerinox	27580	26710	26710	27480
ACESA	1960	1890	1900	1955
Aguas Barcelona	6090	5940	6010	6090
Argentaria	8800	8540	8600	8760
BBV	4615	4450	4490	4630
Banesto	1495	1430	1430	1475
Bankinter	8690	8360	8480	8590
Bco Centro Hisp	6180	5990	6040	6160
Bco Popular	9580	9150	9220	9460
Bco Santander	4780	4540	4625	4745
CEPSA	4700	4600	4660	4590
Continente	3080	2980	3005	3060
Corp Mapfre	8250	8040	8060	8140
Endesa	3110	2990	3000	3085
FECSA	1230	1205	1210	1225
Gas Natural	7560	7150	7180	7450
Iberdrola	1805	1755	1760	1795
Pryca	2715	2640	2640	2720
Repsol	6730	6550	6600	6560
Sevillana Elec	1390	1365	1365	1395
Tabacalera	9990	9650	9710	9900
Telefonica	4580	4445	4475	4495
Union Fenosa	1300	1280	1290	1300
Valenc Cement	3010	2975	2975	2990

Manila
PSE index: 1946.83 Previous: 1920.43

	High	Low	Close	Prev.
Ayala B	13.25	12.75	13	12.75
Ayala Land	15.75	15.25	15.50	15.50
Bk Philip Isl	102	99	101	98.50
C&P Homes	3.20	3	3.20	3.05
Manila Elec A	71.50	70	70	70
Metro Bank	249	241	248	239
Petron	4.10	3.95	4.05	4.10
PCI Bank	144	140	141	141
Phil Long Dist	940	910	920	895
San Miguel B	54	52.50	53	52.50
SM Prime Hdg	6.30	6.10	6.30	6.10

Mexico
Bolsa index: 5267.14 Previous: 5368.67

	High	Low	Close	Prev.
Alfa A	73.50	71.70	71.80	73.30
Banacci B	23.70	22.45	22.50	23.55
Cemex CPO	40.00	38.80	38.80	39.90
Cifra C	16.64	16.18	16.20	16.64
Emp Modema	41.20	40.80	40.80	41.20
Gpo Carso A1	62.50	61.00	61.00	62.10
Gpo F Bcomer	3.43	3.36	3.39	3.40
Gpo Fin Inbursa	33.20	32.30	32.30	33.10
Kimb Clark Mex	40.30	39.90	40.20	40.30
Televisa CPO	155.00	152.80	152.90	153.80
TelMex L	20.60	20.15	20.15	20.60

Milan
MIB Telematico: 15517.00 Previous: 15431.00

	High	Low	Close	Prev.
Alleanza Assic	16580	16120	16410	16010
Bca Comm Ital	5025	4825	4910	4780
Bca Fideuram	7240	7010	7010	7100
Bca di Roma	1749	1701	1702	1710
Benetton	28000	26950	26950	27550
Credito Italiano	4450	4325	4365	4425
Edison	9135	8850	8850	8870
ENI	10860	10510	10560	10475
Fiat	6170	6020	6050	6010
Generali Assic	38800	38050	38300	38300
IMI	17490	16750	16810	17200
INA	2665	2610	2610	2640
Italgas	6335	6140	6180	6200
Mediaset	8830	8525	8525	8650
Mediobanca	13160	12850	12900	12800
Montedison	1345	1323	1330	1315
Olivetti	960	945	945	946
Parmalat	2840	2770	2780	2810
Pirelli	5075	4990	5075	4935
RAS	15340	15010	15010	15070
Rolo Banca	25100	24400	24800	24900
S Paolo Torino	13450	13100	13250	13340
Telecom Italia	11400	11155	11190	11030
TIM	6995	6710	6795	6780

Montreal
Industrials index: 3649.99 Previous: 3701.53

	High	Low	Close	Prev.
Bce Mob Com	46½	45.95	45.95	46.40
Cdn Tire A	29½	29	29.15	29.40
Cdn Util A	39.80	39.45	39¾	39½
CT Finl Svc	46.40	46¼	46.40	46.40
Gaz Metro	18.70	18.40	18¾	18½
Gt-West Lifeco	33.70	33.35	33.35	33.70
Imasco	45¼	44.90	45.15	45.05
Investors Grp	43.85	43.85	43.85	43.95
Loblaw Cos	21.65	21½	21½	21½
Natl Bk Canada	20½	19.95	20	20.30
Power Corp	46¼	45.10	45.40	44.90
Power Finl	44	43.35	43.40	43½
Quebecor B	32.40	31.05	32.05	27
Rogers Comm B	8.45	8.40	8.40	8½
Royal Bk Cda	71.15	70	71.15	70.90

Oslo
OBX index: 728.06 Previous: 731.34

	High	Low	Close	Prev.
Aker A	145.50	143	143	144.50
Bergesen Dy A	221	217	217	219.50
Christiania Bk	26.30	25.90	26.20	26.20
Den norske Bk	31.60	30.70	31.10	31.30
Elkem	130	125	125.50	130
Hafslund A	43	42	42.50	42.50
Kvaerner Asa	440	427	433	436
Norsk Hydro	433	425	429	425
Norske Skog A	264.50	260	261	261
Nycomed A	164	160	162.50	160.50
Orkla Asa A	629	625	627	625
Petm GeoSvc	504	489	491	500
Saga Petm A	154.50	148	148	152.50
Schibsted	135	131	132	135
Transocean Off	375	370	375	370
Storebrand Asa	54	53	53	53.50

Paris
CAC-40: 3024.68 Previous: 3064.42

	High	Low	Close	Prev.
Accor	1167	1132	1150	1111
AGF	244.30	239.90	243.60	239.90
Air Liquide	1017	978	980	1006
Alcatel Alsth	817	798	800	804
Axa-UAP	415.50	409	409.10	406.60
Bancaire	754	738	738	744
BIC	458.90	439	439.70	454
BNP	319.70	309	312.60	311.50
Canal Plus	1099	1060	1071	1073
Carrefour	3710	3564	3576	3660
Casino	360.90	359.10	360	360.90
CCF	363	352.30	357.40	361.80
Cetelem	697	665	679	674
Christian Dior	801	792	795	802
CLF-Dexia Fran	600	584	586	578
Credit Agricole	1311	1311	1311	1311
Danone	976	958	960	969
Elf-Aquitaine	796	768	780	790
Eridania BS	908	860	875	904
Eurodisney	8.10	8	8	8.05
Eurotunnel	6.30	6.15	6.20	6.30
Gen. Eaux	740	718	725	734
Havas	418	401	404.20	411.20
Imetal	761	752	757	760
Lafarge	446	434.50	439.70	441.40
Legrand	1263	1231	1231	1246
L'Oreal	2448	2331	2338	2427
LVMH	1269	1234	1238	1252
Michelin B	372	350	361	370
Paribas A	446.50	440	441.10	438.90
Pernod Ricard	292.50	285.60	285.90	288.10
Peugeot Cit	818	791	795	806
Pinault-Print	2850	2790	2809	2843
Promodes	2200	2090	2100	2225
Renault	184.80	176.90	179.40	182.20
Rexel	1702	1677	1680	1689
Rh-Poulenc A	277	254	260.30	270
Sanofi	561	537	544	553
Schneider	377.90	365	366.10	371
SEB	879	850	860	865
SGS Thomson	540	525	529	518
Ste Generale	903	882	888	882
Sodexho	3008	2946	2982	3009
St Gobain	949	923	927	940
Suez (Cie)	15.85	15.85	15.85	15.85
Suez Lyon Eaux	664	642	647	661
Synthelabo	695	676	681	695
Thomson CSF	193.30	187.60	188.80	190
Total B	685	658	664	679
Usinor	125.40	122.10	124.50	122.50
Valeo	412	396	398.10	407.50

São Paulo
Bovespa index: 12398.78 Previous: 12480.98

	High	Low	Close	Prev.
Bradesco Pfd	12.10	11.70	11.70	12.10
Brahma Pfd	830.00	820.00	820.00	835.00
Cemig Pfd	59.99	59.00	59.00	59.60
CESP Pfd	95.00	93.50	93.60	95.00
Copel	17.50	16.90	16.90	17.49
Eletrobras	604.99	590.00	602.99	600.99
Itaubanco Pfd	700.00	695.00	700.00	720.00
Light Servicios	484.00	475.00	483.01	481.00
Lightpar	405.99	385.00	405.99	406.00
Petrobras Pfd	317.00	309.00	313.00	314.01
Paulista Luz	195.00	194.00	194.10	196.00
Sid Nacional	42.00	41.00	42.00	42.20
Souza Cruz	10.60	10.56	10.56	10.55
Telebras Pfd	156.40	152.01	154.40	155.20
Telemig	182.50	179.99	180.11	182.50
Telerj	164.50	162.00	163.50	166.50
Telesp Pfd	378.00	364.90	370.00	380.00
Unibanco	42.75	42.40	42.40	42.95
Usiminas Pfd	11.55	11.30	11.37	11.65
CVRD Pfd	27.00	26.33	26.65	27.01

Seoul
Composite index: 610.44 Previous: 630.03

	High	Low	Close	Prev.
Dacom	82000	75000	75000	76500
Daewoo Heavy	6990	6700	6810	6990
Hyundai Eng.	17800	16800	16800	17900
Kia Motors	6910	6900	6900	7500
Korea El Pwr	18400	17500	17700	18500
Korea Exch Bk	4680	4550	4600	4560
LG Semicon	31700	29300	29700	31700
Pohang Iron St	53200	49200	49200	53400
Samsung Display	42000	40600	40600	42600
Samsung Elec	64300	60200	60200	64300
Shinhan Bank	7150	6900	7090	7210
SK Telecom	425000	386500	403000	420000

Singapore
Straits Times: 1882.83 Previous: 1888.34

	High	Low	Close	Prev.
Asia Pac Brew	5	5	5	4.94
Cerebos Pac	5.20	5.10	5.10	5.10
City Devlts	9.40	9.05	9.25	9.05
Cycle Carriage	8.75	8.55	8.65	8.55
Dairy Farm Int*	0.95	0.91	0.91	0.96
DBS foreign	15.40	14.30	15.30	14.40
DBS Land	3.50	3.38	3.40	3.38
Fraser & Neave	8.45	8.30	8.30	8.35
HK Land*	3.36	3.14	3.34	3.20
Jard Matheson*	8	7.85	7.85	7.80
Jard Strategic*	4.08	3.98	4.06	3.98
Keppel A	5.90	5.75	5.75	5.75
Keppel Bank	3.18	3.16	3.16	3.16
Keppel Fels	4.92	4.70	4.80	4.68
Keppel Land	3.44	3.32	3.34	3.36
OCBC foreign	9.95	9.65	9.90	9.50
OS Union Bk F	6.50	6.20	6.25	6.25
Parkway Hdgs	5.70	5.55	5.70	5.60
Sembawang	6.10	5.85	5.90	5.95
Sing Air foreign	11.70	11.20	11.50	11.30
Sing Land	6.55	6.35	6.55	6.30
Sing Press F	22.90	21.20	21.20	22.80
Sing Tech Ind	2.68	2.65	2.66	2.65
Sing Telecomm	2.42	2.36	2.37	2.41
Tat Lee Bank	2.80	2.78	2.78	2.79
Utd Industrial	1	0.98	0.99	0.99
Utd O'Sea Bk F	10.70	10.30	10.40	10.20
Wing Tai Hdgs	3.22	3.08	3.18	3.08

*: in U.S. dollars.

Stockholm
SX 16 index: 3572.81 Previous: 3582.48

	High	Low	Close	Prev.
AGA B	121.50	117.50	119	120
ABB A	112	108	109.50	111
AssiDoman	253.50	251.50	253	254
Astra A	135	127.50	130	132
Atlas Copco A	259.50	255	257.50	258.50
Autoliv	323.50	319	319	320.50
Electrolux B	688	663	673	664
Ericsson B	384	368	371.50	371.50
Hennes B	342	327	330	335
Incentive A	707	698	701	699
Investor B	416	403	405	411
MoDo B	283	270	282	269
Nordbanken	274	271	274	272
Pharm/Upjohn	262	256.50	258	256.50
Sandvik B	278	266.50	270	273.50
Scania B	239.50	235	237	234.50
SCA B	189.50	186	186.50	187
S-E Banken A	95.50	93	94	94.50
Skandia Fors	370	358	360	364
Skanska B	335	322	324.50	330
SKF B	242	230.50	238.50	233
Sparbanken A	193	188	192	194
Stora A	129.50	127.50	128	127
Sv Handels A	278	268	273	274
Volvo B	232.50	227.50	229.50	227

Sydney
All Ordinaries: 2768.40 Previous: 2754.30

	High	Low	Close	Prev.
Amcor	8.61	8.48	8.50	8.60
ANZ Bking	11.48	11.37	11.44	11.41
BHP	16.15	16.03	16.07	16.07
Boral	4.48	4.37	4.46	4.37
Brambles Ind.	28.31	27.40	28.31	27.34
CBA	17.55	17.35	17.51	17.36
CC Amatil	14.11	13.70	13.91	14.13
Coles Myer	6.64	6.55	6.60	6.52
Comalco	6.72	6.70	6.72	6.70
CSR	5.40	5.30	5.39	5.30
Fosters Brew	2.89	2.87	2.89	2.86
Goodman Fld	2.26	2.20	2.25	2.18
ICI Australia	12.90	12.68	12.76	12.71
Lend Lease	32.56	32.05	32.39	32.55
MIM Hdgs	1.63	1.58	1.62	1.61
Nat Aust Bank	21.95	21.80	21.91	21.81
Nat Mutual Hdg	2.28	2.25	2.27	2.28
News Corp	6.98	6.92	6.96	6.94
Pacific Dunlop	3.93	3.88	3.92	3.89
Pioneer Intl	4.59	4.55	4.58	4.56
Pub Broadcast	8.92	8.85	8.91	8.87
Rio Tinto	21.13	20.91	21.05	21.05
St George Bank	8.65	8.58	8.65	8.60
WMC	6.53	6.44	6.44	6.51
Westpac Bking	8.86	8.60	8.83	8.60
Woodside Pet	13.08	12.85	13.05	12.85
Woolworths	4.55	4.48	4.53	4.46

Taipei
Stock Market index: 8255.82 Previous: 8221.35

	High	Low	Close	Prev.
Cathay Life Ins	124	122	122	123
Chang Hwa Bk	96	94	94	94
Chiao Tung Bk	71	69	70	68.50
China Developmt	96	91.50	93	94
China Steel	24.40	23.80	24.10	24
First Bank	95.50	94	94.50	94
Formosa Plastic	54.50	53	53	53
Hua Nan Bk	100	98	98	98
Intl Comm Bk	53.50	52	52	52.50
Nan Ya Plastics	62	60	60.50	60.50
Shin Kong Life	78	76.50	77.50	77
Taiwan Semi	142	138	141.50	139
Tatung	32.30	31.80	31.90	31.90
Utd Micro Elec	83.50	77	79	82.50
Utd World Chin	56	55	55	55

Tokyo
Nikkei 225: 17619.30 Previous: 17511.20

	High	Low	Close	Prev.
Ajinomoto	1080	1060	1070	1050
All Nippon Air	622	616	619	619
Amway	3650	3530	3610	3530
Asahi Bank	735	727	727	730
Asahi Chem	513	502	503	502
Asahi Glass	914	899	902	897
Bk Tokyo Mitsu	2270	2210	2210	2250
Bk Yokohama	491	480	490	477
Bridgestone	3000	2970	2980	2940
Canon	3540	3460	3530	3490
Chubu Elec	2020	2000	2020	2010
Chugoku Elec	1870	1850	1860	1850
Dai Nipp Print	2610	2570	2610	2590
Daiei	650	642	642	640
Dai-Ichi Kang	1260	1210	1220	1260
Daiwa Bank	546	533	546	538
Daiwa House	1190	1150	1180	1180
Daiwa Sec	748	720	734	767
DDI	5450a	5350a	5450a	5500a
Denso	2750	2680	2680	2670
East Japan Ry	5570a	5500a	5510a	5510a
Eisai	2230	2180	2200	2210
Fanuc	5160	4880	5110	4830
Fuji Bank	1330	1300	1310	1320
Fuji Photo	5050	4960	5000	4970
Fujitsu	1580	1560	1560	1570
Hachijuni Bk	1240	1210	1230	1210
Hitachi	1150	1110	1130	1160
Honda Motor	4390	4330	4360	4330
IBJ	1420	1400	1400	1390
IHI	270	251	252	276
Itochu	418	407	407	412
Ito-Yokado	6720	6630	6640	6620
JAL	415	409	409	412
Japan Tobacco	9800a	9680a	9750a	9710a
Jusco	2640	2550	2550	2660
Kajima	514	506	512	503
Kansai Elec	2090	2040	2060	2040
Kao	1700	1680	1680	1710
Kawasaki Hvy	388	381	384	387
Kawa Steel	215	206	211	219
Kinki Nipp Ry	674	670	670	666
Kirin Brewery	1010	990	995	990
Kobe Steel	145	136	140	135
Komatsu	650	633	641	630
Kubota	424	411	412	410
Kyocera	7860	7760	7760	7780
Kyushu Elec	1930	1910	1930	1940
LTCB	559	527	538	561
Marubeni	367	360	361	361
Marui	2100	2050	2070	2050
Matsu Comm	3900	3830	3850	3840
Matsu Elec Ind	2280	2230	2260	2210
Matsu Elec Wk	1210	1190	1190	1200
Mitsubishi	1120	1090	1110	1080
Mitsubishi Ch	262	250	251	256
Mitsubishi El	464	453	455	453
Mitsubishi Est	1800	1780	1800	1790
Mitsubishi Hvy	646	637	639	647
Mitsubishi Mat	613	605	606	608
Mitsubishi Tr	1910	1880	1900	1880
Mitsui	958	940	951	936
Mitsui Fudosn	1590	1560	1570	1590
Mitsui Trust	585	570	570	577
Murata Mfg	5450	5450	5450	5300
NEC	1520	1500	1500	1490
Nikon	1960	1900	1910	1880
Nikko Sec	516	506	510	516
Nintendo	12000	11700	12000	11700
Nipp Express	677	671	671	671
Nippon Oil	550	527	528	541
Nippon Steel	283	274	274	273
Nissan Motor	730	706	712	710
NKK	172	166	170	167
Nomura Sec	1630	1600	1620	1600
NTT	1110b	1080b	1100b	1090b
NTT Data	6050b	5940b	6050b	5920b
Oji Paper	590	573	575	579
Osaka Gas	275	269	271	275
Ricoh	1840	1790	1810	1770
Rohm	14500	14500	14500	14800
Sakura Bk	560	549	555	555
Sankyo	4070	4020	4060	4000
Sanwa Bank	1510	1480	1500	1510
Sanyo Elec	383	375	375	379
Secom	8540	8450	8450	8430
Seibu Rwy	4900	4700	4900	4690
Sekisui Chem	826	799	810	832
Sekisui House	1090	1070	1080	1080
Seven-Eleven	9470	9280	9410	9280
Sharp	1080	1050	1070	1070
Shikoku El Pwr	1860	1800	1860	1860
Shimizu	525	508	508	506
Shin-etsu Ch	3590	3500	3550	3460
Shiseido	1980	1930	1950	1980
Shizuoka Bk	1290	1270	1270	1279
Softbank	5120	4760	5100	4760
Sony	12000	11800	11900	11800
Sumitomo	881	855	857	865
Sumitomo Bk	1850	1820	1830	1850
Sumit Chem	425	419	421	418
Sumitomo Elec	1800	1780	1790	1760
Sumit Metal	278	275	276	274
Sumit Trust	1250	1220	1250	1220
Taisho Pharm	3230	3200	3220	3140
Takeda Chem	3670	3600	3670	3580
TDK	11300	11000	11300	11300
Tohoku El Pwr	1890	1860	1870	1860
Tokai Bank	941	924	926	944
Tokio Marine	1470	1450	1460	1460
Tokyo El Pwr	2270	2250	2250	2250
Tokyo Electron	8450	8220	8380	8130
Tokyo Gas	274	268	270	275
Tokyu Corp.	538	529	529	541
Tonen	1050	1030	1040	1030
Toppan Print	1680	1640	1660	1640
Toray Ind	700	683	694	683
Toshiba	598	583	597	599
Tostem	1930	1880	1910	1910
Toyo Trust	990	970	973	969
Toyota Motor	3720	3670	3690	3640
Yamanouchi	3100	3050	3070	3050

a: x 100; b: x 1,000

Toronto
TSE Industrials: 7174.67 Previous: 7209.93

	High	Low	Close	Prev.
Abitibi Cons.	22¼	22⅛	22.60	22¼
Alberta Energy	33½	33.05	33.45	33.45
Alcan Alum	45.80	44.95	45.10	45.80
Anderson Expl	17.10	16.85	16.95	17.10
Bk Montreal	60.60	59⅛	59.95	60.65
Bk Nova Scotia	66.85	65.45	66.05	66.85
Barrick Gold	33.60	32¾	32.95	32.80
BCE	44½	43.40	43.70	44.25
BC Telecomm	36	35¼	35.85	35¼
Biochem Pharm	40.65	39.35	39.35	42.80
Bombardier B	27.80	27.05	27.70	27
Cameco	55¼	54¼	55	54.85
CIBC	41.45	40¼	40.80	41¼
Cdn Natl Rail	76¼	73.65	75.90	73¾
Cdn Nat Res	43	42½	42¼	43
Cdn Occid Pet	40.15	39.30	39.35	40.10
Cdn Pacific	42.65	41½	42.45	41.60
Cominco	33.15	32¼	32.95	33
Dofasco	25.60	24¾	24.95	25.45
Domtar	11¾	11.60	11.65	11.80
Donohue A	31	30½	30.90	31
Du Pont Cda A	34½	34.05	34.45	34½
EdperBrascan	26.20	25¼	26	26.10
EuroNev Mng	25.40	24.70	25.35	24.70
Fairfax Finl	379	375	379	379
Falconbridge	25	24.60	24.85	24.70
Fletcher Chall A	23¼	22¾	22.80	23.85
Franco Nevada	34.45	33½	34.05	33
Gulf Cda Res	13	12.70	12¾	12.90
Imperial Oil	89.15	86	86.10	89½
Inco	33.55	32.85	33	32.85
IPL Energy	54¼	54¼	54½	54¼
Laidlaw B	21.20	20.80	20.95	21.15
Loewen Group	38½	37.90	38	38.40
Macmill Bldl	19.80	19.45	19.55	19¾
Magna Intl A	101½	99½	100.15	101.20
Methanex	12.20	12	12.05	12.05
Moore	25	24.60	24.70	24.90
Newbridge Net	95	89	89¾	92.35
Noranda Inc	26¾	26.30	26.60	26½
Norcen Energy	34.85	34.60	34.80	34.65
Nthern Telecom	155¾	150½	150.70	153¾
Nova	11½	11.35	11.45	11.40
Onex	36.70	36¼	36¼	36.55
Pancan Petlm	24¾	24.65	24.70	24.65
Petro Cda	27.45	27	27¼	27.65
Placer Dome	26¼	25.45	25.90	25.35
Poco Petlm	13.95	13¾	13.80	13.90
Potash Sask	115	112½	115	112½
Renaissance	35.40	34.40	34.45	35.40
Rio Algom	28.85	28.45	28.85	28.80
Rogers Cantel B	23.80	23½	23.60	23.80
Seagram Co	48.60	47.45	47.90	48.40
Shell Cda A	26.85	26.35	26.70	26¼
Suncor	53.30	52.70	53	53¼
Talisman Eny	53½	52.15	53	52.15
Teck B	26¼	25¼	25¾	26
Teleglobe	52½	51½	52	52
Telus	28.35	27.95	28.15	28.40
Thomson	35¼	34.10	34.60	34.90
TorDom Bank	51.70	50.25	50¾	51.60
Transalta	19.30	19	19	19.35
TransCda Pipe	27.35	26.90	27.15	27.30
Trimark Finl	80½	79½	79½	80¼
Trizec Hahn	37¼	37	37	37.45
TVX Gold	8.30	8.15	8.20	8.15
Westcoast Eny	29.40	29.10	29.20	29.35
Weston	107	106	106½	107½

Vienna
ATX index: 1440.21 Previous: 1440.64

	High	Low	Close	Prev.
Boehler-Uddeh	1064	1050	1057.50	1058
Creditanst Pfd	673	662.95	673	667
EA-Generali	3350	3190	3206	3305
EVN	1600	1540	1560	1572
Flughafen Wien	518	512	513	514
OMV	1934	1892	1909	1925
Oest Elektriz	925	903.20	918.50	908.65
VA Stahl	601.70	593.80	600	590
VA Tech	2620.95	2557	2558.50	2603
Wienerberg Bau	2610	2550	2566	2578

Wellington
NZSE-40 index: 2591.74 Previous: 2591.87

	High	Low	Close	Prev.
Air N Zeald B	4.05	4.03	4.05	4.05
Brierly Invt	1.38	1.37	1.37	1.38
Carter Holt ord	3.52	3.50	3.52	3.52
Fletch Ch Bldg	5.13	5.10	5.13	5.10
Fletch Ch Eny	6.88	6.83	6.86	6.80
Fletch Ch Forst	1.94	1.92	1.92	1.94
Fletch Ch Paper	3.23	3.21	3.22	3.24
Lion Nathan	3.82	3.78	3.81	3.75
Telecom NZ	8.17	8.12	8.16	8.16
Wilson Horton	11.25	11.25	11.25	11.25

Zurich
SPI index: 3716.34 Previous: 3732.10

	High	Low	Close	Prev.
ABB B	2245	2199	2214	2193
Adecco B	565	543	544	565
Alusuisse R	1443	1417	1417	1421
Ares-Serono B	2895	2740	2740	2830
Atel R	888	887	888	880
Baer Hdg B	2370	2315	2335	2365
Baloise Hdg R	2385	2330	2330	2385
BK Vision	1310	1288	1292	1292
Ciba Spec Chem	152	148.50	149.25	148.50
Clariant R	1205	1172	1172	1198
Cdt Suisse Gp R	218.75	215.75	215.75	215
Elektrowatt B	535	534	534	535
Ems-Chemie	7040	6980	6995	6980
ESEC Hdg	4300	4140	4300	4100
Holderbank B	1392	1375	1382	1389
Liechtenst LB B	572	570	570	571
Nestle R	2133	2080	2085	2114
Novartis R	2331	2270	2271	2277
Oerlikon Buehr R	200.75	194.25	196.50	193.50
Pargesa Hld B	1895	1870	1890	1880
PharmVisn B	910	895	901	900
Richemont A	1960	1915	1920	1920
Pirelli PC	341.50	334.50	336.50	338
Roche Hdg PC	13320	13050	13095	13150
SBC R	411	405.50	407	408
Schindler PC	1763	1740	1748	1740
SGS B	2715	2670	2680	2660
SMH B	928	915	919	919
Sulzer R	1181	1143	1143	1169
Swiss Reins R	2259	2223	2237	2227
SAir Group R	1970	1932	1960	1968
UBS B	1740	1712	1715	1727
Winterthur R	1587	1561	1564	1556
Zurich Assur R	637	619	620	627

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	181.31	-0.69	-0.38	+21.57
Regional Indexes				
Asia/Pacific	120.66	+1.17	+0.98	-2.24
Europe	199.73	-0.84	-0.42	+23.90
N. America	213.18	-1.79	-0.83	+31.67
S. America	174.97	-2.37	-1.34	+52.91
Industrial Indexes				
Capital goods	229.90	-1.16	-0.50	+34.51
Consumer goods	199.76	-0.66	-0.33	+23.74
Energy	211.26	-2.38	-1.11	+23.75
Finance	135.08	-0.29	-0.21	+15.89
Miscellaneous	193.39	+1.15	+0.60	+19.54
Raw Materials	190.48	+0.64	+0.34	+8.61
Service	171.33	-0.86	-0.50	+24.77
Utilities	173.47	+0.26	+0.15	+20.92

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News

NASDAQ

Wednesday's 4 P.M.

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Wednesday's 4 P.M. Close

(Continued)

Herald Tribune
PRIME MINISTER PRIVA

هكذا من الأصل

Ahn Young Joon/The Associated Press

IMPERIALIST BURGER — Students rallying Wednesday near the U.S. Embassy as they called on Seoul to resist U.S. pressure to open its markets.

Seoul to Rescue Investment Banks

Government Plans Loans for Firms Exposed to Kia's Debt

Bloomberg News

SEOUL — The central bank said Wednesday it would lend 1 trillion won ($1.09 billion) to struggling investment banks, the first such bailout in the bank's history, because of a funding crisis caused by the collapse of Kia Group.

The amount may not be enough to help companies that are exposed to a combined 3.9 trillion won of debt racked up by the automaker. That debt is a mixture of loans and loan guarantees in the form of commercial paper.

Kia's bankruptcy dealt a blow to the banks' already wobbly finances. Their paid-in capital averages between just 200 billion won and 400 billion won, and many have already been stung by other bad loans in Korea caused by a slowing economy, and fixed-income investments in Southeast Asia that turned sour.

Kim Hak Kyu, a central bank official, said the loans would be extended next week to 19 investment banks, provided executives agreed to surrender management control and offer their equity holdings in affiliates and public companies as collateral. The one-year loans carry an 8 percent annual interest rate, well below the 12 percent benchmark lending rate.

"It will be helpful to ease the shortage of their liquidity upon the prolonged financial problems of Kia Group," Mr. Kim said.

The central bank will allocate the money in a meeting of its monetary operation commission next Thursday. Last week, 16 investment banks submitted documents surrendering management control. They were among 19 chosen by the central bank because their bad loans exceeded 50 percent of their capital.

Mr. Kim said the names of the banks would not be released.

Last week, the central bank said it would inject money into local securities firms for the first time. By aiding securities firms, the central bank aimed to indirectly help the investment banks.

Rising default risks on loans to Southeast Asian companies also rattled the operations of South Korean investment banks, together with tumbling currencies in Thailand, Indonesia, Malaysia and the Philippines.

In the markets, South Korean stocks tumbled 3.1 percent to a four-year low on concern that Moody's Investors Service Inc. would cut the country's debt rating, inflating borrowing costs.

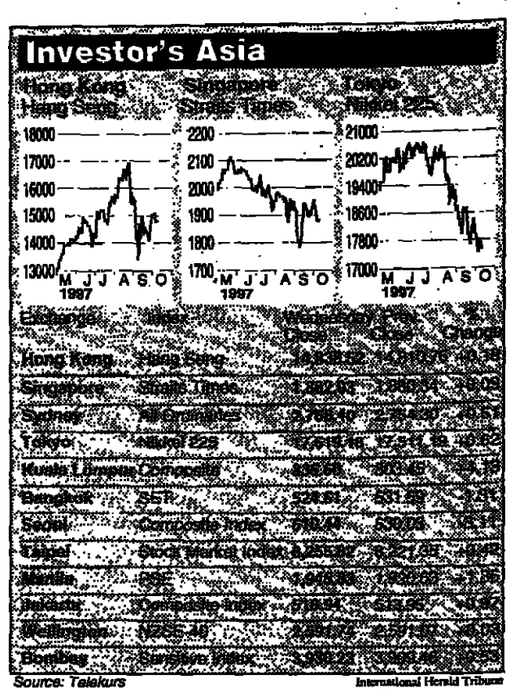
The ruling party's accusation that Kim Dae Jung, an opposition party presidential candidate, laundered money through companies and amassed $74 million in secret funds compounded the rout as five shares fell for every one that rose.

"Foreigners are growing increasingly afraid of political risks and sovereign rating cuts," said Lee Ju Ahn, a fund manager at Daehan Investment Trust Co. "They are basically selling Korea."

The benchmark Korean Composite Index fell 19.59 points, to 610.44.

Korea Electric Power Corp., a state-owned company that accounts for 12 percent of the benchmark stock index, fell 4.86 percent to 17,600, its lowest price in four years.

A cut in South Korea's sovereign-debt rating would drive up the cost of servicing the company's $7 billion of foreign debt.



Source: Telekurs — International Herald Tribune

Very briefly:

- **Coles Myer Ltd.**'s second-half profit rose a larger-than-expected 34.8 percent, to 115.8 million Australian dollars ($83.8 million), as the retailer cut back on discounting.
- **Telstra Corp.**, the Australian government's telecommunications company, will face a 24-hour strike Oct. 17, the Community and Public Sector Union said after union members rejected management's offer of a pay increase .
- **Seven Network Ltd.**, an Australian television network, said its investment in **Metro Goldwyn-Mayer Inc.**, a U.S. film studio, was worth 335.7 million dollars, or 20 percent of the network's total assets of 1.69 billion dollars.
- **Australia** will remove restrictions on imports of compact disks to try to reduce prices that consumers pay for the recordings, Communications Minister Richard Alston said.
- **Jusco Co.**, Japan's third-largest supermarket operator, said it would open **Rooms to Go** furniture stores in Japan under a licensing agreement with the U.S. retailer.
- **Central Japan Railway Co.**'s shares rose 26,000 yen, or 7.24 percent, to 385,000 yen ($3,148), in their trading debut on the Tokyo Stock Exchange.
- **Nippon Telegraph & Telephone Corp.** will cut the price of local calls in half in December to try to undercut its rival, **Tokyo Telecommunication Network Co.**
- **KDD Co.**, Japan's largest international phone company, will begin offering phone service via the Internet in December.
- **China**'s computer industry sold 1.4 million personal computers valued at more than 49 billion yuan ($5.89 billion) in the first half of 1997, surpassing full-year sales for 1996 of slightly over 1 million units, the official China Daily reported.
- **Newcrest Mining Ltd.** said it would keep its 11.8 percent stake in **Normandy Mining Ltd.** after a global offer for the unit's shares failed to bring a high enough price.
- **South Korea** said U.S. beef inspectors had confirmed the discovery of bacteria in a shipment of beef from Nebraska, ending a feud over alleged contamination that had threatened to reduce U.S. beef exports to Seoul, its fourth-biggest market, with sales of $244 million last year. *Bloomberg, AFP*

Asian Currencies Bolster a Market Rally

Compiled by Our Staff From Dispatches

HONG KONG — Most Asian stock markets rallied Wednesday on better regional currency news and other factors, including successful new listings and a business-friendly policy speech in Hong Kong by its new leader, Tung Chee-hwa.

Indonesian stocks rose after Finance Minister Mar'ie Mohammad said the country would seek advice from the World Bank and the International Monetary Fund to help stem the slide in the rupiah.

"Indonesia is trying to restore investors' confidence," said Vivek Gandhi, who helps manage $1 billion at Aberdeen Asset Management Ltd. in Singapore. "Although it will take some time for them to decide what to do, the market was trying to anticipate what's down the road in six months' time."

The Jakarta Stock Market Composite Index rose 4.99 points to 518.94. PT Telkom, the domestic phone company that accounts for 18 percent of the index, rose 75 rupiah to 3,625 rupiah, leading the gains.

The dollar was quoted at 3,640.50 rupiah, down from 3,692.50 rupiah.

Malaysia's key stock index surged 4.1 percent on a pre-budget rally and was lifted by a recovery in the ringgit.

"The rally can also be attributed to players expecting some goodies such as incentives for export in the 1998 budget," said Danny Ooi, an analyst with Inter-Pacific Securities. The Kuala Lumpur Stock Exchange's 100-share weighted composite index soared 33.15 points to end at 836.60.

Foreign funds, however, were expected to remain on the sidelines for the next few months, another analyst said, adding that it would probably be local investors supporting the market until then.

Deputy Prime Minister Anwar Ibrahim is scheduled to unveil the 1998 budget in Malaysia's Parliament on Oct. 17.

Singapore stocks rose for the first time in six days, led by banks and property shares, as concern about the regional currency turmoil receded after the ringgit rose for a second day.

The Straits Times Industrial Index rose 1.69 points to 1882.03.

"The rebound is a reaction to the more stable regional currencies," said Chua Sue Wan, a fund manager at Yamaichi Capital Management, which manages more than $1 billion in assets.

The dollar was trading at 3.1775 ringgit, down from 3.2875. The ringgit's gains lifted Singapore stocks because many Singapore companies, including banks, have operations in Malaysia and have sales in ringgit.

Hong Kong's Hang Seng Index was buffeted ahead of Mr. Tung's policy speech, but the 33-stock benchmark index finished higher, gaining 27.76 to end the trading session at 14,838.52.

(AFP, Bloomberg)

Mahathir Wants a Currency Market

Agence France-Presse

KUALA LUMPUR — Prime Minister Mahathir bin Mohamad of Malaysia called Wednesday for a single currency market to curb what he called manipulation and speculation in the current system.

Mr. Mahathir said the establishment of a specific market for currency trading was vital to ensure transparency and eliminate abuses in the trading system.

"We know that all trading has specific markets," he was quoted as saying by the Bernama press agency. "There is a place to sell shares as well as commodities, there is a place to sell anything, and traders must be registered. But we find that in currency trading, there is no specific market, and we do not know who is trading."

The prime minister said the International Monetary Fund and the World Bank had given Malaysia a mandate to try to introduce "prudential regulations" for currency trading. In response, he said, Malaysia will propose that a single currency market be established where "traders can register themselves and get a seat number."

Papers Ponder Raising Prices In Hong Kong

Bloomberg News

HONG KONG — Pressed by newspaper vendors to help them increase their profits, the territory's newspapers said Wednesday they were considering raising cover prices by as much as 40 percent.

Coming less than two years after a round of price-cutting forced several papers to close, the increases also might help publishers lift their own profits.

Newspaper stocks rose on reports that the publishers of Hong Kong's Chinese-language papers planned to meet soon to discuss whether to raise prices. The South China Morning Post, the Chinese territory's largest English-language newspaper, said it also might raise its cover price.

Publishers in much of Asia are being squeezed by rising newsprint costs caused by the region's weakening currencies.

Pact Is Reached on New Airport's Fees

Compiled by Our Staff From Dispatches

HONG KONG — The airport authority here and international airlines settled a yearlong dispute Wednesday over fees at the territory's new $20 billion airport.

The charges agreed upon are as much as 40 percent below what the authority originally sought but about 40 percent more than those at Hong Kong's overcrowded existing airport, Kai Tak, according to the airport authority, which will run the new facility.

Clinton Leeks, the authority's corporate development director, estimated that under the new fee scale, it would cost about $45,000 to land a Boeing 747 carrying about 400 passengers and to park it for four hours.

At Kai Tak, he said, that would now cost about $32,000.

The International Air Transport Association and the airlines said the charges the airport had wanted to levy would have made it the world's third most expensive airport.

Representatives of the Air Transport Association, who were negotiating for the airlines, were not available for comment. But Gilbert Chow, vice chairman of the board of airline representatives and a senior executive of Northwest Airlines, described the new fees as "much improved." They still represent "quite a substantial increase from Kai Tak," he said, "but it is better than we had a few months ago."

Lower fees would be good news for airlines, especially Cathay Pacific Airways Ltd., Hong Kong's biggest carrier, which is suffering from a decline in visitors to the territory.

China National Aviation Co., which owns 43.4 percent of second ranked Hong Kong Dragon Airlines Ltd. and has just sold shares publicly for the first time, also would benefit.

Hong Kong's new airport is the territory's largest construction project. It is to have two runways, and its location on relatively remote reclaimed land around Chek Lap Kok island means flights will be able to land around the clock. Kai Tak has one runway and is in the heart of densely populated Kowloon, where noise restrictions mean a nighttime curfew on flights. *(Bloomberg, Reuters)*

Bre-X Inquiry Says Geologist Led the Fraud

Reuters

TORONTO — Investigators hired by Bre-X Minerals Ltd. of Canada have concluded that its late chief geologist, Michael de Guzman, orchestrated the world's biggest-ever gold swindle deep in the jungles of Indonesia.

The investigators' report, released Tuesday, said that Mr. de Guzman, who died in an apparent suicide shortly before the fraud was exposed, led a small group of Bre-X employees in falsifying samples from the Busang mining site in Borneo over a four-year period.

Bre-X hired Forensic Investigative Associates Inc. to examine the mining scandal last spring, when the 6 billion Canadian dollar ($4.37 billion) stock-market darling was ruined after Busang was found to be a fraud.

The investigators' report absolved the company's chief executive, David Walsh, and several other key players in the Busang debacle of any wrongdoing. But it said the role of John Felderhof, the firm's exploration chief, was "still an open question."

The investigators said they had "reasonable and probable grounds" to believe that Mr. de Guzman and a Bre-X employee, Cesar Puspos, had conspired with others "to defraud Bre-X and the public in Canada and elsewhere" through a "deceitful" scheme of tampering with the Busang mineral samples.

REPUBLIC OF TURKEY
PRIME MINISTRY PRIVATIZATION ADMINISTRATION

100 % Public Share in ETİBANK Bankacılık A.O. Will be Privatized

Paid-up Capital	TL 2.300.000.000.000
Number of Branches	124
Temporary Collateral	USD 3.000.000

1. 100 % public share in Etibank Bankacılık A.O. (Bank) shall be privatized, through "block sale" method, by the Privatization Administration, Prime Ministry, the Republic of Turkey (Administration).

2. Tender shall be performed by the bargaining method consisting of receiving the bids in closed envelopes and negotiations afterwards. In case Tender Commission deems so necessary, the tender might be finalized by open auction method through participation of bidders with which bargaining negotiations are continued.

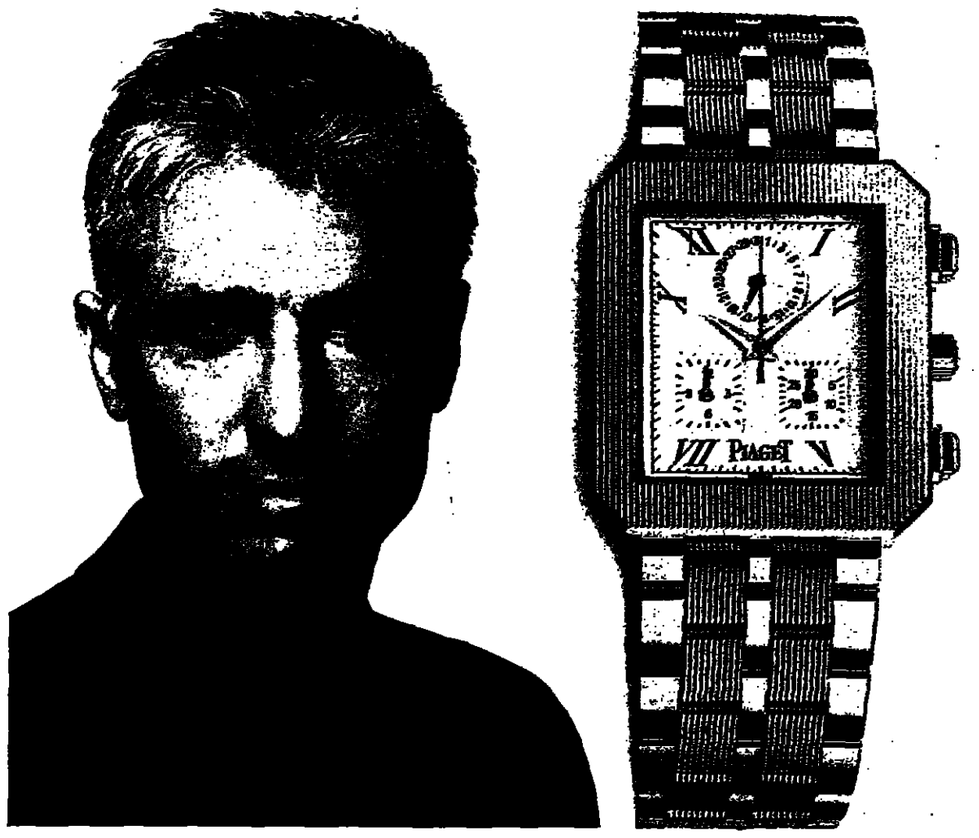
3. Specifications for Tender and Promotion Document issued for the Bank subject to privatization may be obtained, against TL 75.000.000 (seventy five million), from the address of the Administration stated below as from 15 October 1997. Specifications for Tender and Promotions Document must be obtained in order to participate in the Tender concerned.

4. Bids shall be prepared in consideration with terms and conditions stated in the specifications for Tender and Promotion Document, and submitted to the address of the Administration stated below not later than 3 November 1997 by 17.00 hours. Bids which shall be delivered to the Administration after the latest date and time of bidding will not be considered.

5. Administration is not subject to the Law on State Tenders No. 2886, and it is free whether or not to execute the tender or to award the tender on any body it deems so or to extend the period granted for bidding.

REPUBLIC OF TURKEY
PRIME MINISTRY
PRIVATIZATION
ADMINISTRATION

Hüseyin Rahmi Gürpınar Sokak No: 2 Cankaya 06690 ANKARA/TURKEY Tel: (90 312) 441 15 00



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JAKARTA: *Aid Request Brakes Rupiah's Slide*

Continued from Page 1

lion of the total; the rest is owed by the government.

With bank interest rates for corporate borrowers at about 36 percent to support the rupiah and the country facing a sharp slowdown in economic growth, analysts said some creditors were refusing to roll over loans.

Indonesian officials sought to play down the emergency nature of the assistance they were seeking.

Finance Minister Mar'ie Muhammad, who announced the decision after a cabinet meeting, said Indonesia's foreign-exchange reserves remained at a safe level.

"Nevertheless, in order to safeguard the situation, the government is sounding out long-term support funds from international institutions, including the IMF," he said. "The government will continue to make all efforts to avoid excessive exchange-rate volatility and depreciation."

Schroder Securities estimates that Indonesian companies have $34 billion in debts that must be repaid within a year, compared with the country's total foreign reserves of $25 billion.

Only about half of this short-term private debt has been hedged, according to Schroder.

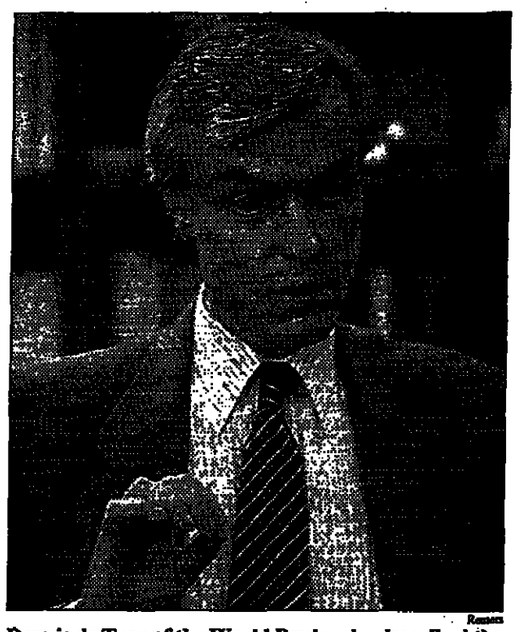
Dennis de Tray, the World Bank's chief representative in Indonesia, said that the government had asked the bank and the Fund to assess the situation and help develop a package of reforms and financing to restore confidence.

"It's a financial package, but it's probably more important in delivering a message of confidence than it is in actually providing financing," he told Reuters. "Indonesia is still quite well financed."

A foreign-exchange support fund for Indonesia would be in exchange for IMF supervision of its reform policies, as in Thailand, said Jimmy Koh, regional economist at Independent Economic Analysis (Holdings) Pte.

Banking reform might be high on its list.

As a result of a deregulation program starting in the 1980s, Indonesia has nearly 240 banks. They have proliferated so fast, under little official supervision, that many are in financial trouble and need to be liquidated or combined with stronger banks, analysts said.



Reuters

Dennis de Tray of the World Bank, who described the assistance package as "a message of confidence."

"Indonesia is grossly overbanked," Mr. Koh said. "Bank Indonesia, the central bank, has been trying to reduce the number, and this may help hasten the process."

Mr. Mar'ie said that the government would continue to let the rupiah float freely and would strictly enforce previously announced spending cuts.

Analysts warned that the Indonesian market's rally might be short-lived if Wednesday's statement were not followed up by more concrete action.

"Indonesia will continue to pursue prudent economic management," Mr. Mar'ie said, "and will undertake structural adjustments needed to enhance the efficiency and competitiveness of the economy in the face of global competition."

Meanwhile, he added, all government departments have been instructed to safeguard stocks of essential commodities and ensure that prices are kept stable.

KOREA: *North Allows Flights*

Continued from Page 1

spite fuel savings, ticket prices would not come down.

"This is very big, big political news, but it will not affect the fares of our airlines," he said.

North and South Korea are still technically at war, since the 1950-53 conflict ended in the signing of a truce rather than a peace agreement.

Gary Dennison of the International Air Transport Association said the airspace agreement would also have the effect of relieving North Asia's congested airports, especially in Japan, because Southeast Asian flights to the United States could fly nonstop.

"Skipping a stop in Japan would free up the spot for other users," he said. "The direct flights would save time as well as free up equipment and crew to work on other routes."

A South Korean aviation official said flights could begin using North Korean airspace as early as April, once the two countries can test air-traffic coordination systems.

"The main obstacle in the talks was how to communicate for air-traffic control," said Kwu Hyung Lee, a South Korean Foreign Ministry spokesman. "Today North Korea agreed to use land-based telephone communication instead of relying on satellites."

The inter-Korean talks were held under the auspices of the International Civil Aviation Organization in Bangkok. Pyongyang's embassy here, one of its most important in the region, is staffed by higher-ranking diplomats than its other missions.

FRANCE: *Most in EU Oppose a 35-Hour Week*

Continued from Page 1

Soviet-type decision that is unacceptable and would create a lot of problems for industry and the unions."

During a French-Italian summit meeting last week, Mr. Prodi and Mr. Jospin, each keeping a weather eye on their domestic constituencies, agreed that the reduction of working hours was in principle a good idea.

But at the Europe-wide level, where plans are going ahead for a special unemployment conference to take place in Luxembourg next month, France appears fairly isolated.

According to a European official who spoke on condition of anonymity, when Employment Minister Martine Aubry raised the 35-hour workweek proposal during a meeting with her European Union counterparts on Monday, she received no support.

The idea of a 35-hour workweek "is certainly not a panacea or a universal remedy against unemployment," said Padraig Flynn, the European social affairs commissioner in a recent interview. "If it were adopted as a general policy, it would create difficulties for companies, increasing their costs."

Mr. Flynn noted that "reducing working hours can be useful only in very specific cases, and where there is agreement between companies and trade unions, and always taking into account the consequences on competitiveness."

The case most frequently cited by economists is when Volkswagen of Germany, faced with a slumping car market in 1994, cut a deal with its unions to reduce the number of hours worked. But wages were also reduced along with working time, and the company was able to restrict the number of layoffs.

Equally, in the often-cited case of the Netherlands, where the consumer electronics maker Philips and other companies have introduced flexible working hours, pay is generally adjusted accordingly so that production costs are kept under control.

J. Paul Horne, an economist at the Paris office of investment bankers Smith Barney, noted that a cut in the standard Continental European workweek, which is 39 to 40 hours, would be positive only if it were accompanied by much more job flexibility and higher productivity.

Some of France's traditionally militant unions remain skeptical.

Mr. Horne said that a 35-hour workweek on its own would not create new employment and would increase company costs "because where the working week is reduced, the workers would work more overtime at higher pay." He dismissed the idea as "mainly a ploy by the unions to strengthen their power, enhance their earnings and obtain more vacation time."

Eric Chaney, a senior economist at Morgan Stanley's Paris office, stressed that "it is not possible to reduce the working time without hurting French companies' competitiveness unless real wages are cut."

Jean Gandois, chairman of the French CNPF employers' federation, has warned repeatedly in recent days that French industry and the Socialist-led government may be headed for a clash over the proposal.

"I don't think the law should impose a workweek of 35 hours or any length," Mr. Gandois has said. He noted that high labor costs and an overly rigid labor market were the real reasons France appears unable to create new jobs.

The view of both economists and political observers in France is that at Friday's conference here, Mr. Jospin will have to backtrack on his campaign promise. The signs are already there, since Mr. Jospin has recently denied he gave a firm pledge, saying instead it was merely "a suggestion."

Mr. Jospin has also opened the door to proposing a loose legislative framework that would leave it to individual companies and unions to negotiate workweek reductions.

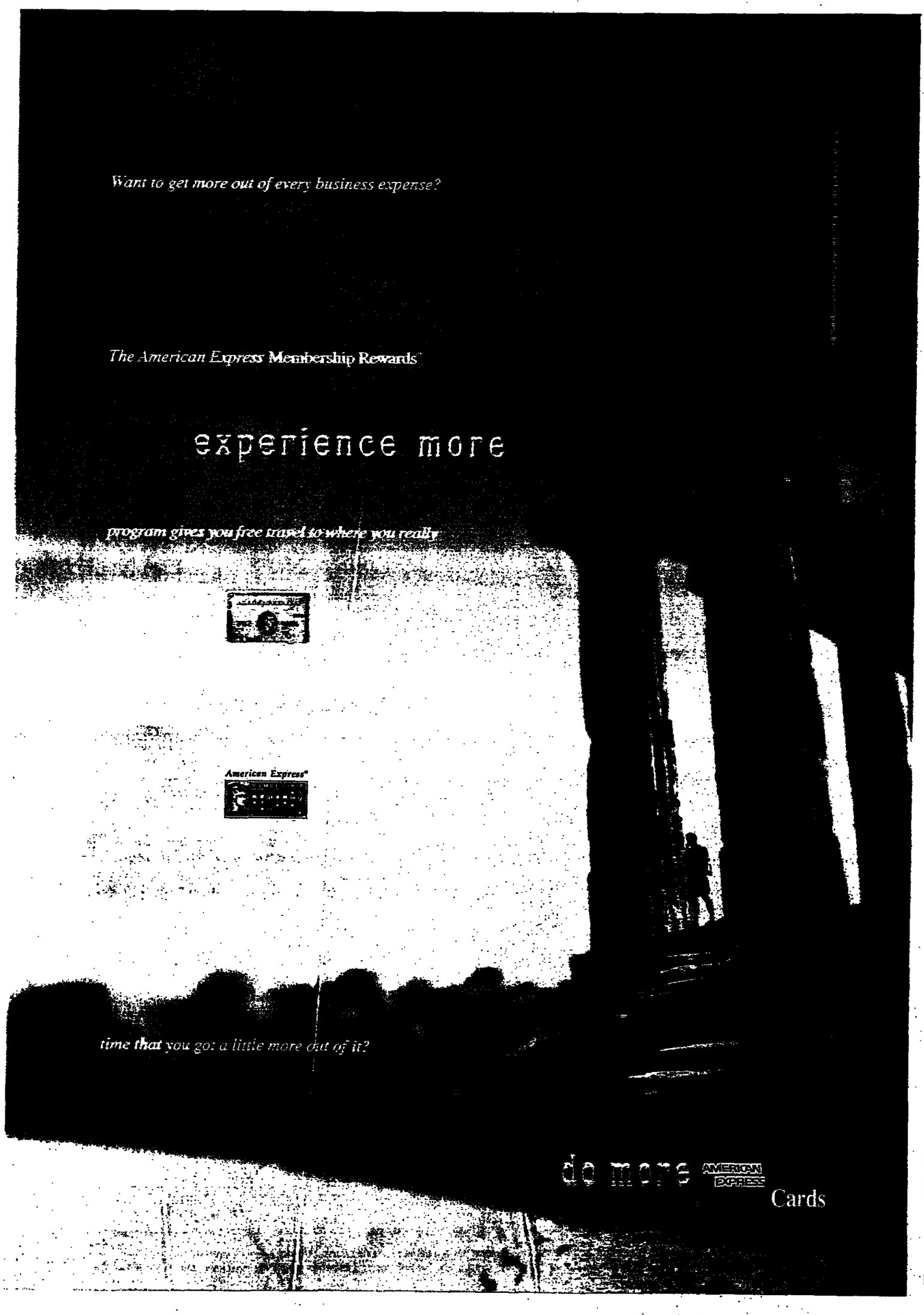
In addition, if the workweek were actually cut in France, it would most likely be phased in over a long period of time, and might contain enough caveats to avoid causing damage to French industry.

On Tuesday, Mr. Jospin released a statement saying that everything must be done "to obtain the highest possible growth but also to find new and bold solutions so it is richer in jobs."

But some of France's traditionally militant unions remain skeptical. Bernard Thibault, secretary-general of the Communist-led CGT union's rail workers, told French radio Wednesday that "a leftist government in itself is not necessarily a guarantee of significant improvement for labor."

If the 35-hour workweek idea were to go ahead, adding more costs to companies already saddled by some of the world's highest corporate tax rates and onerous employer contribution charges, some companies might even make good on threats to leave France.

"I would go elsewhere," said Noel Goutard, chairman of the auto components maker Valeo. "If legislation were imposed making us uncompetitive and within the European Union there were environments which, for fiscal, social or economic reasons, were more favorable for our company, we would have an obligation to our shareholders to go to those environments and leave the less favorable ones," he said in an interview with Reuters.



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October 8, 1997

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WORLD ROUNDUP

A Ballesteros Nod To Oosterhuis

GOLF Seve Ballesteros, hoping to be in Europe's next Ryder Cup as a player and not the captain, said Wednesday that Peter Oosterhuis should take over for the 1999 match in the United States.

Ballesteros said that Oosterhuis, an Englishman who was the European No. 1 from 1971 to 1974 and a member of six Ryder Cup teams, would be the ideal man.

"Peter was a great player, played many times in the Ryder Cup and now, as a TV commentator, sees all the players week by week," said Ballesteros. *(Reuters)*

Pippen Is Sidelined

BASKETBALL Scottie Pippen, the Chicago Bulls forward, had foot surgery and will miss the first two to three months of the NBA season.

The Bulls said their star forward had an outpatient operation Monday in New York. Pippen hurt his left foot last season in Game 5 of the Eastern Conference finals.

In another development, the Bulls reportedly agreed a one-year contract with Dennis Rodman. The sports network ESPN said the contract would pay the forward $4 million, with incentives that could raise his pay to $10 million. *(AP)*

King Denies Cheating

BOXING Don King, the promoter, denied he had cheated anyone and testified that Mitch Green agreed to a relatively light purse for a 1986 bout with Mike Tyson because it was a career opportunity.

Green is suing Tyson for $25 million for beating him up in a street fight. He said King cheated him and contributed to his losing a 10-round decision to Tyson.

King arranged for Green to fight Tyson and receive a $30,000 purse. Green said he felt cheated when he learned that Tyson would get at least $650,000. He said his manager, Carl King, Don King's stepson, had not represented him properly.

Green says he tried to back out, but officials ordered him to box or risk losing his license. *(AP)*

Football Beats Baseball

TELEVISION American viewers prefer the National Football League to the national pastime. The deciding game in the American League playoffs between the New York Yankees and Cleveland Indians on Monday night was up against the NFL game between the Denver Broncos and the New England Patriots. Football won, 13.9 to 9.8, in rating points, each point representing 1 percent of 98 million TV households. *(AP)*

Sergio Perez/Reuters

Jeannie Longo en route Wednesday to her third consecutive world title in the women's time trial at the World Cycling Championships in Spain.

Yet Another Comeback for Longo

French Cyclist Wins 3d Straight Women's Time Trial Crown

By Samuel Abt
International Herald Tribune

SAN SEBASTIAN, Spain — Responding to a clamor that is audible only to her, Jeannie Longo renounces her latest retirement. My fans, she says vaguely, the French public. She owes it to her fans to continue.

Listen to their protests.

Besides, she was misunderstood. Again. As usual. When she announced her latest retirement early last month, people read more into her words than she intended. She did not mean this was the end, finito. She meant this was the end until she won her next bicycle race and found motivation to keep going.

Luckily for her public — which is basically her husband and coach, Patrice Ciprelli — motivation arrived only a few weeks after her final curtain call. The Frenchwoman won the Grand Prix des Nations, a long time trial, on Sept. 21, and her 19-year career was on again.

So she will turn 39 on Oct. 31? So she is old enough to be the mother of some of her rivals? So what if she has retired and unretired at least twice previously?

"Everybody is trying to put me out to pasture," she said with a sly smile on Wednesday. "Maybe I just haven't found the right field yet."

La Longo had reason to feel playful. By 85 hundredths of a second on Wednesday morning, she had won her third consecutive world championship in the women's time trial. That made an even dozen bicycle world championships — in the race against the clock, on the road, in pursuit and in the points race — that she has won since 1985, plus the Olympic title on the road last year in Atlanta.

"Is this the end?" a reporter asked at a news conference later. "Will we see you again at the world championships?" Longo gave him a sweet look. "Yes, of course," she replied. "Because I have to race again Saturday" when the women ride for the road championship. "So, yes, you'll see me again at the world championships."

Then she looked around the room for the next question. Nobody had the nerve to bring up her retirement again and, for the moment, she was not mentioning it either. Once more, she had found motivation.

She covered the 28-kilometer (17-mile) course from San Sebastian into the hills and back again to the shores of the Bay of Biscay in 39 minutes 15.21 seconds on Wednesday. That was 85 hundredths of a second faster than Zoulfia Zabirova of Russia, the Olympic champion, and 29 seconds faster than Judith Arndt of Germany, in third place. The winner's time in the race against the clock translated into a brisk 42.7 kilometers an hour (26 miles an hour).

"I'm a little sad for Zoulfia, because she's one of my best friends," Longo said later. But, she added quickly, she herself had sometimes lost close races. One of them, she did not point out, was at Atlanta, when she finished second to the Russian in the time trial.

Fourth among 39 riders on Wednesday was Hanka Kupfernagel of Germany, with Elizabeth Emery of the United States finishing fifth.

If Longo was sugar and spice and everything nice after the time trial, she was edgy beforehand. This was her big test: When she was warming up for the French championships in July, a young rider crashed into her, badly injuring Longo. Her collarbone and several ribs were broken and her stomach was punctured by the handlebar of her bicycle.

She looked thinner, more drawn and, yes, much older than usual. As is her custom, she was nowhere to be found in or near the tent where the French team was assembled in a welter of bicycles, wheels and gears spilled on the ground. Longo trains alone — or with nobody other than Ciprelli — and has sometimes even refused to stay at the team hotel.

But she has mellowed somewhat. This year she does share the team hotel, even if she and her husband stay apart from the other riders, and she even addresses a few of her colleagues by their first names.

After about an hour of warm-ups on the roads, she showed up at the French tent half an hour before her starting time. Her uniform jersey was pulled down to her waist, revealing a blue T-shirt with Snoopy bearing the Olympic torch and the logo of the U.S. Olympic Training Center in Colorado. She likes to train in that state, far from home.

Moving her bicycle here and there nervously, her husband was careful not to say much to her. He also wore a Colorado T-shirt, a black one with a stagecoach driving through a storm.

Longo mounted a stationary bicycle and began doing intervals — so many minutes at a high tempo to get her muscles heated, so many more at a higher speed to get her heart rate up, then a few minutes of jumps, or quick accelerations, to bring her engine to a peak.

The noise of her rear wheel on its rollers was thunderous. Once or twice, she reached down to massage her left thigh, kneading the muscle just above the knee. Behind her, Ciprelli was busy securing her number to her jersey.

The piece of plastic with No. 1 printed on it already had six safety pins in it, but they were not enough for him. As she hunched over, working up a storm, he pushed in two more pins. Finally, he was satisfied.

So was Longo. She wiped her face with a towel, passed behind a flap of canvas to dry her body, pulled up her jersey, got on her bicycle and headed for the starting platform.

The next time Ciprelli saw her, she was on the platform, then down the ramp and on her way to another title.

At least until Saturday, when she goes for another road championship, all talk of retirement was over.

Tailenders Equal Cricket Record

The Associated Press

RAWALPINDI, Pakistan — Azhar Mehmood, who is making his test match debut, and Mushtaq Ahmed combined Wednesday for a record-equaling 10th-wicket partnership of 151.

The pair helped Pakistan's cricket team reach 456 all out in its first innings on the third day of the first test against South Africa.

South Africa began its first innings confidently, moving comfortably to 139 runs for one wicket by the end of play.

Mehmood and Ahmed resumed their stand on Wednesday morning with Pakistan on 345 for nine wickets. Mehmood added another 56 runs and Ahmed 53 to match the record partnership mark set by New Zealand's Brian Hastings and Richard Collinge against Pakistan in Auckland in February 1973.

Mehmood finished with 128 to set another record with Ali Naqvi, who made 155 on the first day. They are the first pair of debutantes to score centuries in the same test innings in cricket's 121-year history.

Mehmood also became only the fifth batsmen in test history to score a century while batting eighth or lower in the order.

Ahmed and Mehmood, who batted together for 182 minutes, missed their chance of breaking the record when, immediately before lunch, Ahmed went for a big hit against the bowling of Hansie Cronje and dragged the ball back onto his wicket.

When South Africa batted, Adam Bacher fell with the score at 107. At the close, Gary Kirsten was on 62 and Jacques Kallis was on 20.

Thanks to Murdoch, Soccer Gets A Shiny New Image in England

International Herald Tribune

ENGLAND goes to Rome this week needing a draw to qualify ahead of Italy for soccer's World Cup finals next summer. A few days ago, Manchester United, without its captain, upset dominant Juventus; last month Newcastle, without Alan Shearer, overwhelmed Barcelona.

If English soccer succeeds in recovering its lost 1980s' morale, will the thanks go to Rupert Murdoch?

A statue ought to be considered. Or at least name a trophy after him — The Murdoch Foreign Player Come-to-England-for-the-Money of the Year award — given not by a vote of peers (most of whom would probably be envious) but according to a mathematical formula. Divide the annual salary by his goals scored plus other statistics, incorporating the club's improvements in the standings and attendance, number of replica uniform shirts sold and so forth.

It is hard to recall a single individual who has so revolutionized an important national league. In the United States the late Pete Rozelle, the first great commissioner of the National Football League, is a demigod because he recognized the power of television to create what is now America's most popular spectator sport.

Murdoch didn't recognize the power; he is the power. For the selfish interests of his own satellite-television monopoly in Britain he hijacked the English Premier League with a £214 million ($347.4 million) contract for the five-year period beginning in 1992. The new four-year contract for exclusive television rights to the Premiership is now earning a startling £670 million from Murdoch, who in return is televising a much-improved product starring Italian and Brazilian players who grew up never imagining visits to Southampton or tiny Barnsley.

Until recently English clubs tended to be humbled or embarrassed when they returned to European competition after the five-year ban for violence by Liverpool fans at the Heysel Stadium in Brussels in 1985, as a result of which 39 fans died. Under such close examination the teams were as irrelevant and backward in their play as the monarchy seemed during the Diana tragedy.

Now their energy and heart is being wedded to mercenary skills. Even the improvement in England's national team can be traced back to the infusion of foreign talents bankrolled by Murdoch. Since some foreign voices have come to Chelsea and Arsenal, the English players no longer perform like victims of inbreeding.

Murdoch won't receive the credit because he's largely the villain in the British media war, and his payments to the English game surely aren't benevolent. What's more, the majority of fans can't afford or refuse to buy subscriptions to his television channels — but then this is one of the reasons they are packing the stadiums full and loud. The new financial standards might crash 1929-style anyway, should Manchester United and other clubs realize with Murdochian logic that the digital-TV revolution can earn them many times more profit just by starting up their own exclusive television channels, which may yet lead to an exclusive European league against other giants.

In truth no one can say how it will all play out. But it might be, for these few glorious years he has given them, that the British fans will someday look back on Murdoch rather fondly.

But probably they will blame him for everything.

Vantage Point / **IAN THOMSEN**

DAVIS LOVE 3d took a phone call in his hotel room Saturday night that he should never forget. It was his American Ryder Cup teammate Justin Leonard. "He just told me to quit taking all the blame for us losing," Love said.

Love was the worst of the 24 professionals at the Ryder Cup, losing all four of his matches in Europe's 14½-13½ victory on the last weekend of September. In recovering a few days later to win the Buick Challenge in his native Georgia, Love might be taking up a precedent established in 1991 by Bernhard Langer, who in that year missed the putt at Kiawah Island that gave the Ryder Cup to the Americans. In the following week Langer flew home and won the German Masters — an act of incredible resilience.

"I have no special secret," Langer said. "I am one of those people who is able to forget what is behind me and focus on what is ahead. That is what everybody should do. You cannot live in the past."

The link came up because Langer won the German Masters again Sunday with a third round of 60. He would have broken the European golf sound barrier if he hadn't three-putted the 6th or lipped out a three-footer for birdie at the 14th. Langer won in 21-under par, the same winning score as Love.

IT WAS FUNNY to see how the American press (this reporter included) decided that Seve Ballesteros's non-playing captaincy won the Ryder Cup for Europe, while in Europe the writers wondered if it happened in spite of his meddling. But then we Americans are always accused of being star-struck.

By the way, did anyone else think Ballesteros with his graying temples and Mediterranean tan looked a bit like Cary Grant? I'm thinking of "To Catch a Thief," precisely.

REST IN PEACE, momentarily, Notre Dame (1-4), Alabama (3-2) and Miami (1-4) — for the first time in 15 years none of you is mentioned in the Top 25 college football poll. Dozing off alongside you is Emmitt Smith, the Dallas Cowboy who hasn't scored a touchdown in five weeks. It's enough to make one believe in reincarnation.

Jenny Rudge/Reuters

Zinzan Brooke during 1995 rugby match in Sydney.

SCOREBOARD

BASEBALL

NL CHAMPIONSHIP

TUESDAY'S LINESCORES

Florida	302	000	000	—5	6	0
Atlanta	101	001	000	—3	5	2

KJ Brown, Cook (7), Powell (8), Nen (9) and C. Johnson; G.Maddux, Neagle (7) and Eddi Perez. J Lopez (2). W—KJ.Brown, 1-0. L—G. Maddux, 0-1. Sv—Nen (1). HRs—Atlanta: Chr. Jones (1), Klesko (1).

(Florida leads series 1-0)

JAPANESE LEAGUES

CENTRAL LEAGUE

	W	L	T	Pct	GB
x-Yakult	81	51	2	.614	—
Yokohama	71	61	0	.538	10
Hiroshima	65	67	0	.492	16
Yomiuri	63	72	0	.467	19½
Hanshin	60	72	1	.455	21
Chunichi	59	76	1	.437	23½

x-clinched league title

PACIFIC LEAGUE

	W	L	T	Pct	GB
x-Seibu	75	56	3	.571	—
Orix	68	60	3	.531	5½
Kintetsu	66	63	4	.511	8
Daiei	62	68	1	.477	12½
Nippon Ham	63	71	1	.470	13½
Lotte	56	72	2	.438	17½

x-clinched league title

WEDNESDAY'S RESULTS

CENTRAL LEAGUE

Yakult 1, Yomiuri 0
Yokohama 4, Hiroshima 2

PACIFIC LEAGUE

No games scheduled

ICE HOCKEY

NHL STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Washington	3	0	0	6	14	4
Philadelphia	2	1	0	4	9	6
N.Y. Islanders	1	0	1	3	5	2
Tampa Bay	1	1	1	3	8	7
Florida	1	1	0	2	6	6
New Jersey	1	1	0	2	5	7
N.Y. Rangers	0	0	2	2	4	4

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Ottawa	2	1	1	5	9	9
Montreal	1	0	1	3	6	3
Pittsburgh	1	1	1	3	10	11
Buffalo	1	2	1	3	8	12
Boston	1	2	0	2	12	9
Carolina	0	3	1	1	10	14

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	2	0	0	4	11	3
Phoenix	2	1	0	4	10	10
St. Louis	2	1	0	4	10	6
Dallas	1	1	1	3	7	6
Toronto	1	2	0	2	3	8
Chicago	0	2	0	0	4	9

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	3	0	1	7	12	5
Los Angeles	0	1	3	3	13	14
Anaheim	1	1	0	2	5	5
San Jose	1	2	0	2	6	8
Vancouver	1	1	0	2	5	5
Edmonton	1	2	0	2	7	14
Calgary	0	3	0	0	3	9

TUESDAY'S RESULTS

Dallas	3	1	0—4
Buffalo	1	0	1—2

First Period: D-Modano 2 (Zubov, Sydor). 2, D-, Adams 2 (Modano, Zubov) 3, B-Satan 2 (Brown, Smehlik) 4, D-Lehtinen 1 (penalty shot) (sh). Second Period: D-Lehtinen 2 (Sydor) Third Period: B-Primeau 1 (Ward, Audette) Shots on goal: D-13-7-10—30. B-8-3-6—17. Goalies: D-. B-Hasek 1-2-1.

Los Angeles	1	1	0—2
Carolina	2	0	1—3

First Period: Carolina, Kron 1 (Rice, Leach) 2, Carolina, Wesley 1 (Murray, Manderville) 3, L.A.-, Stumpel 2 (Smyth) Second Period: L.A.-Blake 1 (Mogar, M.Johnson) Third Period: L.A.-MacLean 2 (Norstrom, Galley) 4, Carolina, Roberts 1 (Emerson, Primeau) Overtime: None. Shots on goal: L.A.- 15-8-7-0—30. Carolina 6-9-11-3—29. Goalies: L.A.-Chabot. Carolina, Burke.

Boston	0	1	1—2
Colorado	1	2	0—3

First Period: C-Sakic 1 (Donnerstein) Second Period: B-Donato 1 (Heinze) 2, C-Marha 1 (Klemm, Lemay) 4, C-Deadmarsh 2 (Kent, Marha) (pp). Third Period: B-Taylor 2 (Khristich) Shots on goal: B- 5-13-12—30. C-6-11-6—23. Power-play Opportunities—B- 0 of 4; C- 1 of 4. Goalies: B-Dafoe. C-Billington.

Toronto	0	0	2—2
Calgary	0	1	0—1

First Period: None. Second Period: C-Fleury 1 (Patrick) Third Period: T-Clark 1 (Sullivan), 2, T-, Warriner 1 (McCauley, Hendrickson) Shots on goal: T- 10-8-8—26. C- 7-12-7—26 Power-play Opportunities—T- 0 of 10; C- 0 of 6. Goalies: T-Potvin 1-1-0 (26 shots-25 saves) C-, Tabaracci 0-3-0 (26-24).

Ottawa	0	1	0—1
San Jose	0	0	0—0

First Period: None. Second Period: O-McEachern 1 (Zhaitok, Yashin) (pp). Third Period: None. Shots on goal: O- 3-6-5—14. S.J.- 13-6-4—23. Power-play Opportunities—O- 1 of 3; S.J.- 0 of 5. Goalies: O-Rhodes, 1-1-1 (23 shots-23 saves). S.J., Hrudey, 0-1-0 (14-13).

CRICKET

PAKISTAN VS. SOUTH AFRICA

FIRST TEST, THIRD DAY

WEDNESDAY, IN RAWALPINDI, PAKISTAN

Pakistan: 456 all out
South Africa: 139-1

CYCLING

WORLD ROAD CHAMPIONSHIP

WEDNESDAY, IN SAN SEBASTIAN, SPAIN

WOMEN'S TIME TRIAL

28-KILOMETER, 17-MILE, COURSE

1. Jeannie Longo, France, 39 m. 15 s.
2. Zoulfia Zabirova, Russia, at 0.85 s.
3. Judith Arndt, Germany, 29 secs
4. Hanka Kupfernagel, Germany, 39
5. Elizabeth Emery, U.S., 57
6. Catherine Marsal, France, 1:08
7. Mari Holden, U.S., 1:17
8. Linda Jackson, Canada, 1:21
9. Zinaida Stagourskaia, Belarus, 1:21
10. Alessandra Cappellotto, Italy, s.t.

MEN'S UNDER-23 TIME TRIAL

32-KILOMETER, 19-MILE, COURSE

1. Fabio Malberti, Italy, 40 m. 41 s.
2. Laszlo Bodrogi, Hungary at 26 s.
3. David George, South Africa, 30
4. Raivis Belohvoscikis, Latvia, 34
5. Guillaume Auger, France, 47
6. Oleg Jaukov, Russia, 1:03
7. Andreas Klaeden, Germany, 1:06
8. Bert Grabsch, Germany, 1:13
9. Ivan Parra, Colombia, 1:19
10. Christian Vandevelde, U.S., s.t.

SOCCER

FRENCH FIRST DIVISION

Cannes 2, Auxerre 3
Monaco 1, Bastia 0

STANDINGS: Metz 23 points; PSG 21; Monaco 20; Bordeaux 20; Lens 18; Bastia 18; Marseille 17; Auxerre 15; Lyon 15; Toulouse 15; Guingamp 14; Strasbourg 10; Nantes 9; Rennes 9; Montpellier 8; Chateauroux 8; Le Havre 7; Cannes 7.

TENNIS

DAVIS CUP

1998 DRAW

WORLD GROUP

Slovakia vs. Sweden
Germany vs. South Africa
Brazil vs. Spain
Switzerland vs. Czech Republic
Italy vs. India
Australia vs. Zimbabwe
Belgium vs. Netherlands
United States vs. Russia

Home teams first. Matches to be played April 3 to 5.

EUROAFRICAN ZONE

GROUP ONE

Finland vs. Croatia
Ukraine vs. Denmark

Byes: France, Romania, Norway, Israel, Austria, Britain. Matches to be played February 13-15.

GROUP TWO

Morocco vs. Bulgaria
Belarus vs. Luxembourg
Senegal vs. Poland
Ivory Coast vs. Egypt
Latvia vs. Yugoslavia
Portugal vs. Georgia
Monaco vs. Slovenia
Hungary vs. Ireland

Matches to be played May 1 to 3.

AMERICAN ZONE

GROUP ONE

Argentina vs. Colombia
Bahamas vs. Ecuador
Canada vs. Mexico

Bye: Chile. Matches to be played February 13-15.

GROUP TWO

Venezuela vs. Guatemala
Haiti vs. Cuba
Peru vs. Jamaica
Uruguay vs. Paraguay

Matches to be played April 3-5.

ASIA/OCEANIA ZONE

GROUP ONE

Uzbekistan vs. China
Japan vs. Indonesia
Lebanon vs. New Zealand

Bye: South Korea. Matches to be played February 13-15.

GROUP TWO

Philippines vs. Thailand
Taiwan vs. Hong Kong
Pakistan vs. Pacific Oceania
Iran vs. Qatar

Matches to be played April 3-5.

TRANSITIONS

BASEBALL

NATIONAL LEAGUE

CHICAGO—Announced their new Double-A affiliate will be West Tenn Diamond Jaxx, SL.

CINCINNATI—Sent Pete Rose Jr. outright to Indianapolis, AA. Recalled RHP Todd Williams from Indianapolis. Claimed RHP Donne Wall off waivers from Houston. Announced LHP Pedro A. Martinez refused assignment to Indianapolis and became free agent.

SAN DIEGO—Fired Larry Dierksing, trainer. Promoted Todd Hutcheson from assistant to head trainer.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

DALLAS—Signed G Kevin Ollie to 1-year contract.

SEATTLE—Waived C Mark Blount and F Derrick Baffle.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

NFL—Fined Detroit S Mark Carrier $7,500 for hitting Green Bay WR Robert Brooks with his helmet in a game Sept. 28.

DENVER—Waived K Scott Bentley. Re-signed WR Willie Anderson.

GREEN BAY—Traded LB Wayne Simmons to Kansas City for 1998 6th-round draft choice.

KANSAS CITY—Waived WR Brett Perriman.

HOCKEY

NATIONAL HOCKEY LEAGUE

ANAHEIM—Assigned G Tom Askey to Cincinnati, AHL.

BUFFALO—Signed D Alexei Zhitnik to 1-year contract.

SAN JOSE—Agreed to terms with C Jeff Friesen.

COLLEGE

NCAA—Announced Sunday Adebayo is eligible to play basketball at Arkansas this year.

FLORIDA STATE—Announced that freshman K Bill Gramatica has left football team.

SOUTH ALABAMA—Announced the resignation of Bill Musselman, mens basketball coach.

FÉDÉRATION FRANÇAISE DE RUGBY

The French Rugby Union has made available to professional agencies (travel agencies, communication agencies and public relation agencies) a number of seats for the games organised at the Stade de France in 1998.

The agencies interested are invited to contact the French Rugby Union, Communication and Marketing Department, 9 rue de Liege, 75009 Paris (by mail only) before October 24.

An application form will be sent immediately.

هكذا من الأصل

SPORTS

The Marlins' Wild Man Tames the Braves, 5-3

Brown Wins, Helped by Atlanta Errors

By Buster Olney
New York Times Service

ATLANTA — The Florida Marlins spent $50 million on talent and hired the National League's most renowned manager, Jim Leyland. But the club's fate is in the hands of a wild card — Kevin Brown, the temperamental pitcher who beat the Atlanta Braves and Greg Maddux, 5-3, in Game 1 of the National League Championship Series on Tuesday night.

Wearing what one teammate referred to as his "death stare," Brown, who will get two more starts and stands to be the series' most pivotal player if it extends to a seventh game, allowed five hits and three runs over six innings. That was just enough to get by, as his teammates scored five unearned runs against Maddux following defensive lapses by the Braves' first baseman, Fred McGriff, and the center fielder, Kenny Lofton.

Maddux pitches with the efficiency and detached demeanor of an accountant. Brown has the subtle approach of a pro wrestler. A National League umpire once said Maddux never sweats. Brown's face glimmers with perspiration before he takes the mound.

He squeezes the ball as if he is applying a headlock, and pitches at one speed, throwing everything as hard as he can. Brown constantly berates himself when allowing even fluke hits, his head bobbing with every other syllable.

No one doubts Brown's awesome ability; his sinking fastball is responsible for anywhere from 5 to 10 broken bats when he starts. Leo Mazzone, the Braves' pitching coach, said Tuesday that Brown "is one of the greatest pitchers I've ever seen."

But Brown has always fought a battle within himself, trying to contain his emotions, his temper. He is amazing, a teammate, Jim Eisenreich, said before Tuesday's game, "even a little crazy."

"There's no way anyone could talk to him before a game like this," Eisenreich said. "He's in the clubhouse right now, with smoke coming out of his eyes."

When Brown loses control of his temper, he often overthrows and his fastball loses its sinking action, instead floating and spinning like a Frisbee, and he tangled with his emotions in Game 1. Making his first appearance in a league championship series, Brown carried a surprising 3-0 lead to the mound in the first inning after the Marlins capitalized on a first-inning error. McGriff bobbled Jeff Conine's sharp grounder to load the bases with two outs.

Moises Alou then bounced a ball toward the third baseman, Chipper Jones, who, like a matador, carefully approached the chopper. And like a matador, let the ball go by with a wave of his glove, a double — and the first hit allowed all year by Maddux with the bases loaded.

During the regular season, Maddux suffered a total of one unearned run. The Marlins scored three unearned runs with Alou's bouncing double. Alou drove in four of the Marlins' five runs. He hit .292 during the regular season with 23 home runs and 115 runs batted in. Against the Braves, he batted only .231 with no home runs and six runs batted in, none against Greg Maddux.

Even with the lead, Brown stalked around the mound excitedly like a 3-year-old on a sugar fix, barely pausing for his catcher's sign before flinging his next pitch. Facing Keith Lockhart, Atlanta's second hitter, this was the elapsed time between his four pitches: 10 seconds, 15 seconds, 14 seconds.

Lockhart doubled, and scored when McGriff singled. Brown, his face contorted with fury, began throwing his sinker head-high, walking Ryan Klesko and then Michael Tucker, loading the bases. Larry Rothschild, the Florida pitching coach, went to calm Brown. Bobby Bonilla yelled to him with encouragement. Perhaps sensing Brown's vulnerability, Bobby Cox, the Atlanta manager, made a stunning switch: he inserted the heavy-hitting catcher Javy Lopez as a pinch-hitter for Eddie Perez, Maddux's personal catcher. In the first inning, "Down the amount of runs we were," Cox said, "who knows if you are going to get another chance to do that."

But Lopez grounded out, and Brown escaped. "I guess I made a couple of big pitches when I had to," Brown said.

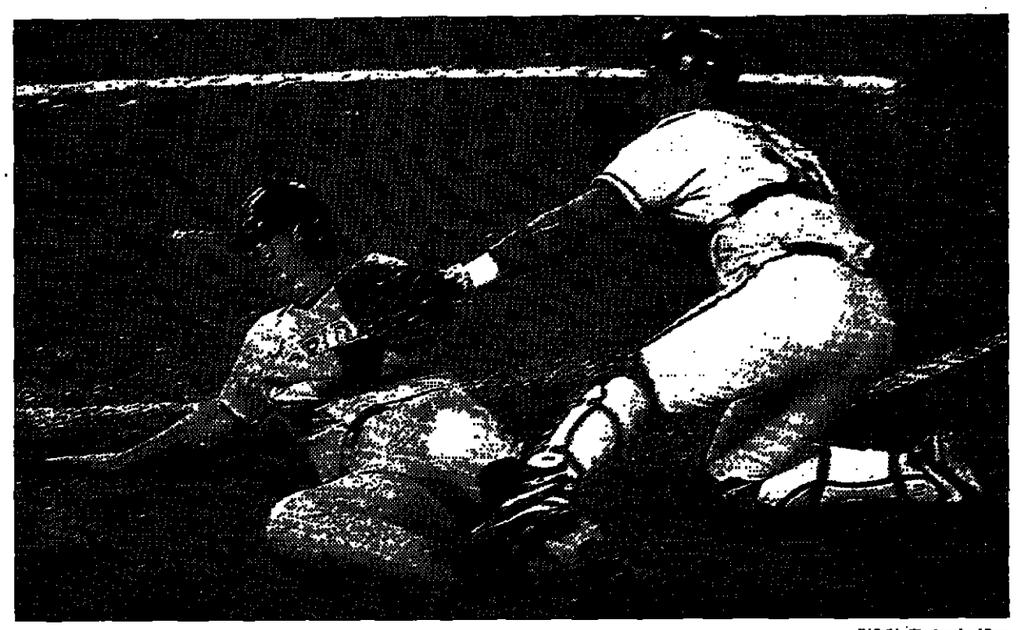
The Marlins added two more runs in the third, set up when Lofton dropped Gary Sheffield's deep fly ball. Brown continued to labor, giving up homers to Jones on the first pitch of the third, and to Klesko on the first pitch in the sixth. He had thrown 101 pitches at that point. Leyland, needing Brown for Game 4, replaced him for the seventh.

"A gutsy performance," Leyland said of Brown. "He probably was a little too strong. This is the second time in a row he's pitched with a week's rest."

The Marlins benefited from a blown call in the bottom of the seventh. With a runner at first and one out, Dennis Cook hit McGriff in the left forearm with a pitch (as replays would show clearly). Bruce Froemming, the home plate umpire, insisted McGriff had fouled the pitch with his bat. McGriff grounded out, stifling the Braves' final threat.

"Believe me," Cox said, "that's not the reason why we lost."

Somebody asked the Cox what he thought of Brown's performance. Cox smiled wryly and said, "We picked a bad night to kick the ball around." Translated: the Braves missed a good chance to beat the Florida wild card.



Ed Reinke/The Associated Press

The Mariners' Jeff Conine sliding past Eddie Perez, the Braves' catcher, to score in the first inning.

Quirky Field May Hold Key to NL Series

By Buster Olney
New York Times Service

ATLANTA — From Camden Yards to Jacobs Field to Coors Field, the majority of the ball parks that have opened this decade have been hitters' parks, aiding and abetting batters with their short dimensions.

Turner Field, home of the Atlanta Braves, is a departure from this trend, and in the minds of some in the National League, it presents quirky conditions that are not suited to the home team, as the visiting Florida Marlins demonstrated Tuesday night in the first inning in Game 1 of the National League Championship Series, which they won 5-3. The distances to the alleys are long and the ball does not carry well, an advantage to pitchers. But the infield dirt here is, in some minds, the hardest and the worst surface in baseball.

"The Braves, they're going to have a little trouble with that infield," Carlos Baerga, the New York Mets' second baseman, said in the final weekend of the regular season. "Maybe it's going to be a problem for both teams, but that infield is the hardest in the league. It surprised me, because it's a new ball park."

Baerga demonstrated his point at Turner Field earlier this season, taking a baseball and bouncing it like a basketball on the dirt in front of home plate; he swiped a foot across the loose dirt on the surface and nudged the packed composition underneath. Baerga feels infielders with good range can thrive on the infield. But the Braves, he added, don't have infielders like this.

"They catch the ball, but Jeff Blauser is not a shortstop like Rey Ordonez," Baerga said. "Mark Lemke is O.K. as a second baseman, but I don't compare him to Robbie Alomar or other players like that. Rey said the surface was one of the worst he's ever seen."

In the opening inning Tuesday, Edgar Renteria opened a rally with a bouncing single through the middle, with neither the second baseman, Keith Lockhart, nor Blauser, the shortstop, having a chance to reach the ball. With two out and runners on first and second, Jeff Conine slapped another bouncer, this toward first base, where Fred McGriff leaned back and allowed the ball to hit his glove and roll behind him for an error.

The bases were loaded when Moises Alou smashed a hopper off the dirt in front of the plate. The third baseman, Chipper Jones, moved to cut the ball off, but it took a quick and wicked hop past him toward the left-field corner for a three-run double. Jones's cautious approach might have resulted from months of playing on the bone-hard infield.

"It's tough to swallow," he said, "because I know if I make the play, we're in the game."

"I caught a break," Alou said. "It had a bad hop, and it was a tough play for Chipper Jones. Maddux pitched good in that inning even though he threw a lot of pitches, so we definitely caught a break."

A Long Evening For Sabre Goaltender

The Associated Press

Dominik Hasek, the Buffalo Sabres goalie, was booed by the hometown fans, then bombarded by the Dallas Stars.

Hasek's miserable night concluded with a 4-2 loss on Tuesday.

Despite backstopping the Sabres to the Northeast Division title and winning the National Hockey League's most valuable player award last season, Hasek became a villain to many fans — and some teammates — when he said he did not want coach Ted Nolan to return. When the team failed to offer Nolan — the NHL coach of the year — a long-term contract, he left and was replaced by Lindy Ruff.

During the third period Tuesday, Hasek was booed when several of his saves were replayed on the scoreboard.

"I'm baffled," said Dixon Ward, one of the Sabres' forwards. "Dom brought this team from nowhere to somewhere in an awfully big hurry. He deserves a little more respect."

Jere Lehtinen scored two goals, including one on a penalty shot, to lead Dallas to its first victory in three games. Mike Modano scored 55 seconds into the game on a breakaway, and he set up Greg Adams's goal less than three minutes later for the Stars.

On the penalty shot, Lehtinen faked Hasek to the ice and beat him with a backhander.

Kings 3, Hurricanes 3 Gary Roberts scored his first goal since returning to hockey after a serious neck injury as Carolina tied Los Angeles.

It was the Kings' third draw in four games — all on the road — while the Hurricanes are winless this season.

Roberts, acquired in the offseason from Calgary after coming out of retirement following the 1996-97 season, tied the score with 9:13 left on a rebound. Donald MacLean gave the Kings a 3-2 lead 3:39 into the final period.

Avalanche 3, Bruins 2 In Denver, Josef Marha scored his first NHL goal and added an assist, and Joe Sakic had his first goal of the season as Colorado remained unbeaten with a victory over Boston.

Maple Leafs 2, Flames 1 In Calgary, Todd Warriner scored the winning goal with 58 seconds left as Toronto won its first game of the season.

Senators 1, Sharks 0 Shawn McEachern scored his first goal of the season and Damian Rhodes had 23 saves for his fourth career shutout as Ottawa won at San Jose.

NHL ROUNDUP

Rebuilt Indians Bring a Warmer Feeling to Playoffs

By Ross Newhan
Los Angeles Times

BALTIMORE — The chill in the Cleveland Indians' clubhouse went beyond Albert Belle's insistence that it be that way, and his periodic demolishing of the thermostat to prevent teammates from raising the temperature.

That contributed to a frosty dressing room, but the icy air that enveloped the team stemmed also from Belle's belligerence, the often surly Kenny Lofton and the uncommunicative Eddie Murray.

The powerhouse Indians of 1995 and '96 intimidated people on and off the field.

Belle, Lofton and Murray are gone and the Indians are different — in personnel and personality.

"When you look at the people we brought in, we knew we had a chance to win again," shortstop Omar Vizquel said of David Justice, Marquis Grissom and Matt Williams. "They were successful players with postseason experience, so the numbers are pretty much the same. But personality-wise we're also a little better. The media isn't focused on troubled players or what Albert did or didn't do."

The Indians have won three consecutive Central Division titles, twice with Belle & Co., and now with the new faces of '97.

Asked to compare the character of the two teams, Mike Hargrove, the manager, said, "Did you say character or characters?"

"The '95 and '96 groups weren't as media friendly," he said. "But they weren't as rowdy and uncontrollable as people were led to believe. This team doesn't have the same swagger and arrogance, but it's just as confident.

"I've really enjoyed this club, and I'd have to admit that there's just a better feeling in the clubhouse among the players."

The Indians eliminated the New York Yankees on Monday and began their series against the Baltimore Orioles for the American League title on Wednesday night.

Even though they lost Belle and Lofton they are still powerful offensively, said John Hart, the general manager, but better defensively, with the financial future stabilized.

"Albert Belle legitimized our lineup, but we weren't going to pay him $11 million," Hart said. "We could have afforded to do it, but we sent a message to baseball, to our players and to our fans. Were the off-the-field distractions a factor? Absolutely. If there had been fewer distractions, might we have reacted differently? Absolutely."

Belle left as a free agent last winter. Justice and Grissom were acquired from Atlanta for Lofton in March. Lofton, Hart says, would have left after this season when he became a free agent. "I think it was pretty shrewd," Hart said.

Having already made the trade with San Francisco for third baseman Williams as the first step in replacing Belle's offense, Hart rebuilt the Indians the old fashioned way — with two big trades.

"My one regret was not being able to acquire a front-line starting pitcher last winter," he said. "People forget that we had the league's best earned-run average in '95 and '96. Of course, we couldn't have anticipated the number of pitching injuries we had this year."

Williams will soon be signed to a multiyear contract. Justice and Grissom already have been, as have most of the team's best players.

Four years of Jacobs Field sellouts have permitted the Indians to sustain baseball's third-highest payroll, a long way from the $8 million when Hart took over in 1991. The payroll is likely to climb in '98 as they weigh acquisition of a No. 1 pitcher and pursuit of second baseman Chuck Knoblauch, who wants to leave Minnesota.

"You can't have an all-star at every position," Hart said. "We don't have an unlimited budget."

What the Indians do have is a new demeanor and what newcomer Bip Roberts described as intensity, toughness and character.

"The Indians have all the ingredients now, and Justice, Grissom and Williams helped bring it together," said Roberts, whose August acquisition provided a leadoff spark in Lofton's absence.

Speaking of Hargrove, Hart said: "Both Grover and I have had more fun with this team than any of our others."

DENNIS THE MENACE

"GREAT GAME, HUH, DAD? WE'RE SURE LUCKY TO HAVE FRONT-ROW SEATS."

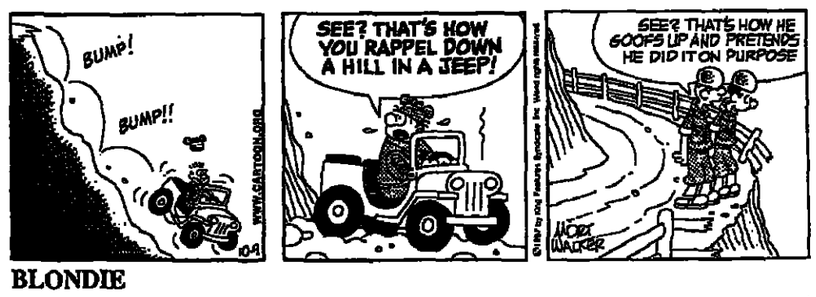
PEANUTS

CALVIN AND HOBBES

GARFIELD

WIZARD of ID

BEETLE BAILEY



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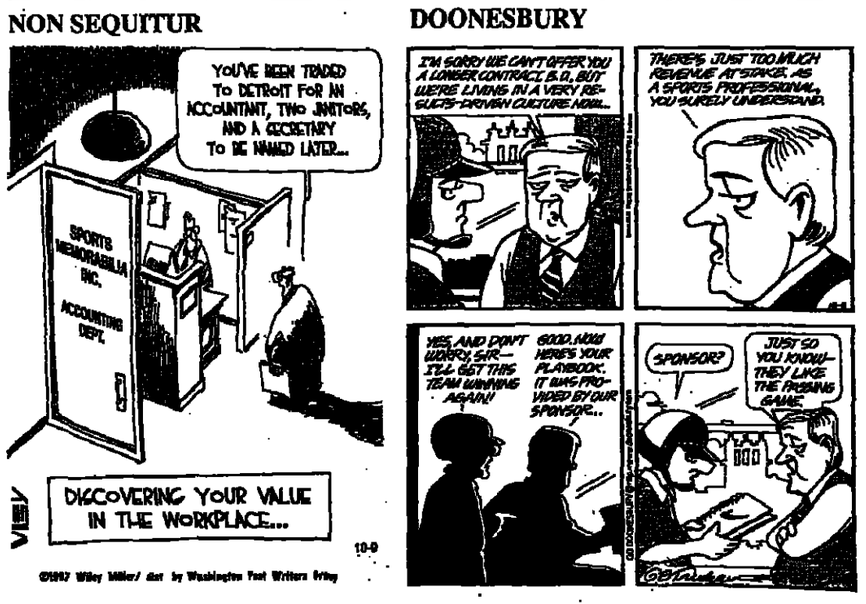

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ART BUCHWALD

If I Were a Rich Man

WASHINGTON — You may have noticed that Forbes magazine just came out with its list of the 400 richest people in America.

You may also have noticed that I didn't make the list.

Before you come to any conclusions, I'll tell you why I was excluded. I asked Steve Forbes to leave my name off it. Getting on a list of this kind can cause a person more trouble than it's worth.

Buchwald

First of all, as soon as the billionaires find out how much you've got, they all want to borrow money.

The last thing I need is a call from Bill Gates or Warren Buffett saying, "We're thinking of buying the Coca-Cola Company and wondered if you could get us over the hump until Tuesday."

Then I'll hear from Ted Turner, who'll say something like, "Look I gave one billion dollars to the United Nations. Jane thought you might be interested in throwing in a billion for the Atlanta Blood Bank."

So I told Forbes, "What I don't like about your list is that you always get my total assets wrong. You figure in my sister's home in New Jersey along with my oil and gas reserves in Oklahoma, and what have we got? An IRS mess."

Forbes was not sympathetic. "The public has a right to know what you're worth. If you're going to eat Perdue chicken, our readers should be informed about who gets the white meat and who gets the dark. You can't hide your rich and famous lifestyle from our reporters."

It bothers me because I don't own a lot of homes around the world — I don't even have a yacht. It's not easy to spend a billion dollars, even in good times, particularly if you shop at a discount grocery.

Once you buy a power lawn mower and a pair of Nike sneakers, there's nothing left to spend money on.

□

Ever since the list was published, I've been getting calls from people who were on it. They all call to say how sorry they are that I wasn't included. They are treating it like a major tragedy.

I also got a call from a credit card company spokesman who said they were canceling my credit card because I was a risk. I told them I couldn't care less.

I only mention all this because I don't want the readers to think that my omission from the 400 list means that I am flat broke.

I could buy and sell Ross Perot and Rupert Murdoch any day, but I don't want to as billionaires hate competition. Besides, there's plenty of room on my private 747 for all of us.

Christie's Exhibits Works in Kremlin

Agence France-Presse

MOSCOW — The auction house Christie's has exhibited selected art works from its next New York auction in Moscow for the first time in a bid to encourage the development of Russia's art market, a company official said.

The exhibition, largely financed by the Russian oil company Lukoil, is taking place for two days at the Patriarch Palace in the Kremlin.

Will the Show Still Go On at London's Old Vic?

By Sarah Lyall
New York Times Service

LONDON — Built 180 years ago in an attempt to spruce up the dank and wild South Bank, the Old Vic theater has as rich and varied a history as they come, having been used over the years as an opera house, a music hall, a college, a temperance hall, and a venue for some of the most distinguished acting seen here this century.

The Old Vic, near Waterloo Station, is where Lilian Baylis ambitiously staged all of Shakespeare's plays some 80 years ago. It is where Sir John Gielgud made his modest London debut in 1921, appearing as a herald in "Henry V," and where, almost 35 years ago, Sir Laurence Olivier directed the National Theatre. And it is where, for 10 months, Sir Peter Hall's acclaimed repertory company has injected more than a frisson of excitement into the London theater world with its productions of 13 plays, including Beckett's "Waiting for Godot," David Rabe's "Hurlyburly," and Harley Granville-Barker's classic political and sexual morality tale, "Waste."

But in August, the theater's Canadian owner, Mirvish Corp., announced that it was putting the Old Vic up for sale and, as of December, effectively evicting Hall and his company. Nelson Bakewell, the marketing consultants handling the sale with Sotheby's, has announced that on Nov. 14, it will accept informal bids from potential buyers. (These include, said Tracy Collins, an agent at Nelson Bakewell, developers, theater companies, and "interested wealthy individuals.")

One group mentioned as a possible buyer, the National Theatre, has said it is not interested. But Richard Eyre, the National's outgoing director, said recently that the company would like to hold on to the Old Vic's modern annex next door, which it uses as a studio for developing new plays. "What the National Theatre would like to do is preserve the annex without taking over the Old Vic," he said.

Ed Mirvish, Mirvish Corp.'s 83-year-old president, said he had come to the decision to sell with great reluctance, and only because his business holdings in Toronto, where his company owns theaters, department stores, and restaurants, were absorbing his time and attention.

"For 15 years, we've had the theater, and I used to get over there every two months," he said. "But I haven't been there for a year. The theater needs the close attention of the owners, and we can't give it that attention."

Hall has been trying, without success, to find a new home for his company. "We've been talking to a lot of West End theaters, and most of them say they don't want us because repertory theater doesn't work in the West End," he said. "But that's not true. I ran the Aldwych Theatre very successfully in repertory. What they mean is that they think they'll make more money if they don't do repertory, which is fair, because they're businesses. But that isn't the same as saying that repertory doesn't work in the West End."

What will happen to the theater seems to be anybody's guess. The Old Vic is a Grade II listed building, which means that it cannot be torn down or substantially changed without a lengthy bureaucratic process. Although it is zoned for use as a theater, the definition of "theater" is quite broad: it could, theoretically, be used as a nightclub, music hall or movie theater.

"It's a one-of-a-kind place because of its history and tradition, and I don't see any likelihood of its being kept going as it's been," said Michael Billington, chief drama critic for The Guardian. "Anyone who wanted to turn it into a disco could do so quite easily."

And the announcement comes at a particularly unfortunate juncture. Hall is just finishing his acclaimed first season at the Old Vic, which featured an ambitious repertory of 13 plays in 10 months, performed by a cast including Felicity Kendal, Michael Pennington, and Alan Howard. Six of the plays were classics and seven were new works, under the directorship of Dominic Dromgoole. The general feeling, critics said, was that Hall made a success of what was surely a gamble.

Jonathan Player/The New York Times
Peter Hall, whose company has been at the Old Vic for 10 months.

"He is a fabulous adventurer, and there's no missing the sense of excitement and vitality he has restored to the Old Vic," wrote Nicholas de Jongh, describing Hall in The Evening Standard in June. "He has dreamed up just the sort of program — a mix between the classic and the new — which the Vic needs at a time when the West End is menacingly dull and predictable."

The Old Vic, or the Royal Victoria Hall, which was named after Princess Victoria before she assumed the throne, was dilapidated when the Mirvishes bought it for £550,000 (about $880,000) in 1982. They had outbid their nearest competitor, Andrew Lloyd Webber, by about $80,000. Eight or nine months of lavish restoration work followed, at a cost of more than $4 million. The theater has appreciated so much in value — partly, his supporters say, because of the new attention and prestige Hall has brought to it — that the Mirvishes are now asking something around £7 million.

Mirvish said he hoped a new owner would respect the theater's long tradition. "We're looking for a person who's rich, has lots of money, and loves the theater," he said. "We're looking for someone who will use it as the Old Vic. We don't want it to be used for anything else."

Beyond the questions it raises about the long-term future of the theater, the sale presents Hall, the founder of the Royal Shakespeare Company and a specialist in repertory theater, with an immediate crisis. His plans for next season are beginning to unravel and he does not know what will happen to his company, which was to be led by Dame Judi Dench next year, or to the productions he and his actors are already committed to.

Hall's company has found critical and popular success, but not financial success. It is not clear how much money it has lost in the last 10 months, though some reports have estimated that the theater is facing a deficit of well over $16 million. Billington, who said he believed that if Hall continued he could break even or turn a profit in a year or two, added: "It really is tragic that they want to sell it now."

Among other things, he said, Hall had proved successful at getting people to come to the theater on Sunday afternoons.

"To break even in a first season is almost insuperably difficult," he said. "I think we will look back on this Peter Hall season as a landmark season. He has proved there is a public appetite for repertory theater and company theater of this kind, and at the very moment he's done that, he loses the building."

Indeed, Hall asserts that when he first discussed the idea of joining the Old Vic with the Mirvishes, he was asked if he would stay on for five years. "I said, 'Absolutely, yes — it will take five years,'" he said. "I was totally taken by surprise by this. They told me a week before it was announced publicly."

But Hall never signed a contract, and Mirvish said that he had always made it clear that the agreement was flexible. "When we spoke to him, we said that if it breaks even or makes a little it will continue into another year, but if he does not make it this year we will not go into a second year," Mirvish said. "That was the understanding up front."

THE ART OF LIVING

Julia Child: All the Ingredients for a Biography

By Frank J. Prial
New York Times Service

CAMBRIDGE, Massachusetts — "It reads as if I'm dead," Julia Child said of "Appetite for Life," a new biography of her by Noel Riley Fitch. "But then, I guess I always assumed I would be by the time it came out."

Child, who turned 85 on Aug. 15, was making coffee in the kitchen of her big, old clapboard house behind Harvard Square. She was also making haste to distance herself from her first authorized biography, which was published this month by Doubleday ($25.95).

Although she chose the author and agreed to hours of interviews for the book, "I had nothing to do with it," she insisted.

Child, who is known for guarding her private life, might be forgiven her restraint. Fitch, whose earlier work included biographies of Sylvia Beach and Anais Nin, has left nothing out.

Working with Child's papers, including diaries, which are available at Harvard University's Schlesinger Library, she has catalogued, Boswell-like, even the most trivial events in her subject's life, from the names of her childhood friends through the name of the speakeasy near Smith College to which Child drove her friends in her 1929 Ford. Not even Child's many injuries, her mastectomy or her face-lifts escape Fitch's pen.

The narrative often reads like a succession of newspaper clips, but to her credit she re-creates Child's life with Paul Child, her great love. This is done with insight and tenderness, and eventually, Fitch manages to show that the genial, slightly klutzy star of the television kitchen is in fact a driven, complicated woman, who has had a remarkable life.

The professional part of that life is well known to generations of fans. Her first cookbook, "Mastering the Art of French Cooking," in 1961, started a career that led to nine more books and 329 television shows, including the "French Chef" series on PBS that started in 1963. She has also written numerous articles on cooking for Parade, McCall's, Food & Wine and The Boston Globe.

In all, it has been a prodigious amount of work for a woman from a privileged California background, who had idled her way through college and had no plans for her life until she met Paul Child. Their 48-year marriage, which ended at his death in May 1994, was a true love story, and her husband's influence on her is made clear in the book.

A friend from the couple's Paris days told Fitch: "It was courage and love for Paul to marry Julia, whom everybody noticed. He never wanted to be noticed. It was not just that he was shy, but he loved Julia and wanted the light on her."

Jan Roerg/The New York Times/1989
Julia Child making lobster soup at home.

Julia McWilliams met Paul Child in what was then Ceylon during World War II when both were in the Office of Strategic Services, the predecessor of the Central Intelligence Agency.

He was an artist, a writer, a linguist, a teacher, a polo player, a photographer, a former lumberjack and furniture maker. It was he who first stirred her interest in food when he took her to restaurants in Ceylon and later in China when they were stationed there. And it was his interest in French food that prompted her to learn to cook when they were living in Paris.

In 1960, he retired from the Foreign Service and gradually became his wife's road manager, agent, traveling companion and general factotum, washing dishes at her demonstrations if no one else was available.

In 1965, the Childs settled in the Cambridge house in which she still lives.

"We loved Boston," she said, "and it turned out to be the perfect place, away from the infighting in the food world. Up here, you're really out of it."

In 1965, the Childs built a small house in Provence in France. Her January 1966 book royalties of $19,000 for "Mastering the Art of French Cooking" paid for half of it.

For the next 20 years, they spent six months each year in France.

Now, she spends the winter in Santa Barbara, California, an hour or so north of Pasadena, where she was born and raised. The couple had once planned to retire to Santa Barbara. Now, she has no plans to retire — ever. "Retired people are boring," she said.

A friend described her attitude toward work more starkly in the biography: "Julia is afraid of death. She thinks that if she retires she'll die."

Indeed, by using the past tense throughout the book, Fitch does indeed give the impression that Child is no longer with us.

But Julia Child is very much alive. Slightly bent now, she no longer stands at the commanding 6 feet 2 inches (184 centimeters) she once did, and she moves more slowly from cutting board to table to sink. But her mind is as alert, and her engagement book is fuller than it was a decade or two ago.

"I seem to have less time to myself than I ever did," she said. "Everyone seems to want me."

She has been on the road for months, promoting her current television series for PBS, "Baking with Julia." She is spending part of October in Naples on a brief break before going to Venice to give a cooking course at the Cipriani Hotel.

"I still travel," she said. "But it's not much fun doing it alone, certainly not as much as when Paul was alive." During their life together, the Childs were rarely separated.

Part of her immense appeal has always been her lack of pretension, her willingness to make mistakes. "It's O.K.," she will say, fumbling before a television audience of millions, "no one is looking." In person, she sums up her attitude this way: "If I can do it, you can do it."

Which is not quite true. No demonstration, no television show, no cooking class takes place without meticulous preparation. Her first book took 10 years to produce with her French co-authors, Simone Beck and Louisette Bertholle. Recipes were tested over and over.

"It had to be," Child said the other day. "A cookbook is only as good as its poorest recipe."

PEOPLE

BUSINESS has been booming in Wahoo, Nebraska, since late-night talk show host **David Letterman** decided last year to move his fictional home office from Grand Rapids, Michigan, to the town of about 4,000 people. "We actually have tourists now," said **Helen Sloup**, manager of a surplus store that sells Letterman T-shirts and bumper stickers. A must-see site is the official home office: a phone booth on the corner of Fifth and Broadway.

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Jane Alexander, the chairman of the National Endowment for the Arts, is expected to announce this week that she is leaving the embattled agency. The announcement, sources said, might happen as early as Wednesday, the fourth anniversary of the actress's swearing-in as head of the cultural agency and just days after it was spared a promised death by its opponents on Capitol Hill. Alexander has been praised during her tenure by supporters of the agency as one who rallied the disparate American arts community in the face of claims of elitism and immorality.

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Of the "65 men and women who shape and rule the world," 29 are Americans, according to a list in the October issue of Vanity Fair magazine. **President Bill Clinton** is on the list, along with **Vice President Al Gore**, **Sandy Berger**, the national security adviser, and **General John Shalikashvili**, the former chairman of the Joint Chiefs of Staff. Tycoons do well, including **George Soros**, **Rupert Murdoch**, **Bill Gates**, **Warren Buffett** and **Michael Eisner**. The classification also includes 13 Europeans, eight Latin Americans, six Middle Easterners, four Asians, two Russians, one Canadian, an Australian and an African.

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After two years in hiding, the Spanish film maker **Pedro Almodovar** has come out with "Live Flesh," a thriller about a triangle of passion between a paraplegic policeman, his wife and an ex-con. "This is the most disturbing film I have made, and it is the one that has disturbed me the most," he said.

Reuters
Letterman, the man who put Wahoo on the map.

□

Danielle House, a former Miss Canada International who was stripped of her title in July after her conviction on charges relating to a barroom brawl that left another woman with a broken nose, will grace the cover of Playboy's December issue. House, 20, was given a suspended sentence and a year's probation for the attack on a former boyfriend's new girlfriend.

□

He wrote under names like Antosha and Man Without Spleen. But his real name was **Anton Chekhov**, and the November issue of Harper's magazine will feature nine so-called lost stories by the Russian playwright and novelist that have never been published in English. The stories were unearthed by Peter **Constantine**, a Chekhov expert, while poring over yellowed volumes of late 19th-century Russian literary journals, where he recognized the bylines as Chekhov pen names.

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